RESOLUTION NO. 20120802-031

WHEREAS, the City is eligible for $10,817,846, in federal grant funds, including Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME), Housing Opportunities for Persons with AIDS (HOPWA), and Emergency Solutions Grants (ESG) from the United States Department of Housing and Urban Development (HUD) for Fiscal Year 2012-2013 (collectively, the "Federal HUD Grant"); and

WHEREAS, the City has proposed a state Community Development Program under Texas Local Government Code Chapter 373 (State Plan) and an annual Action Plan under Part 91, Title 24 of the Code of Federal Regulations (Federal Plan) for FY 2012-2013 that uses the Federal HUD Grant and Local Funding; and

WHEREAS, the City Council has, in accordance with Texas Local Government Code Section 373.006(1), (2) and (3):

1. identified in its Fiscal Years 2009-2014 Consolidated Plan, adopted on July 23, 2009, areas of the municipality in which predominantly low- and moderate-income persons reside, or that are blighted or slum areas; and

2. established in its Fiscal Years 2009-2014 Consolidated Plan, adopted on July 23, 2009, community development program areas in which community development activities, building rehabilitation, or the acquisition of privately owned buildings or land are proposed; and
3. adopted by Resolution No. 960328-31 on March 28, 1996, amended by Resolution No. 000113-29 on January 13, 2000, amended by Resolution No. 040129-8 on January 29, 2004, and amended by Resolution No. 20111215-089 on December 15, 2011, a Citizen Participation Plan (CPP) under which residents may publicly comment on proposed state community development programs (State Plan) and the annual Action Plan (Federal Plan); and

WHEREAS, the City Council, on April 5, 2012 and June 12, 2012, conducted public hearings in accordance with Texas Local Government Code Section 373.006(4) and Part 91, Title 24 of the Code of Federal Regulations to obtain public comment on the proposed State Plan and Federal Plan; and

WHEREAS, the Community Development Commission, on March 27, 2012 and June 14, 2012, conducted public hearings in accordance with Texas Local Government Code Section 373.006(4) and Part 91, Title 24 of the Code of Federal Regulations to obtain public comment on the proposed State Plan and Federal Plan; and

WHEREAS, the City made the proposed State Plan and Federal Plan available for 30-day public comment beginning on June 1, 2012; and

WHEREAS, the Community Development Commission on July 10, 2012, made its final recommendation on the proposed State Plan and Federal Plan; NOW, THEREFORE,
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The proposed State Plan and proposed Federal plan, as incorporated into the Draft Fiscal Year 2012-2013 Action Plan attached hereto as Exhibit A, as amended by Exhibit B (Change Log) and Exhibit C (Funding Table) are approved in accordance with Texas Local Government Code Section 373.006(5); and

BE IT FURTHER RESOLVED:

The City Council authorizes the City Manager to submit applications, a final statement of community development objectives and projected use of funds, and any required certifications, and to negotiate with HUD for the Federal HUD Grant before August 15, 2012; and

The City Manager is further authorized to prepare, execute, attest and deliver all documents necessary to carry out the purposes of this Resolution.

ADOPTED: August 2, 2012 ATTEST: Shirley A. Gentry
Shirley A. Gentry
City Clerk
City of Austin Fiscal Year 2012-13 Action Plan
Providing Opportunities, Changing Lives

Homeless / Special Needs Assistance
Renter Assistance
Homebuyer Assistance
Homeowner Assistance
Housing Developer Assistance
Commercial Revitalization
Small Business Assistance

Neighborhood Housing and Community Development Office
City of Austin, Texas

Fiscal Year 2012-13
Annual Action Plan

For Consolidated Plan Years
October 1, 2009 through September 30, 2014

Prepared by:
City of Austin
Neighborhood Housing and Community Development Office
PO Box 1088, Austin, TX 78767
512-974-3100
www.cityofaustin.org/housing

The font that you see throughout this document is “Spranq Eco-Font”, a font type that is especially designed to save ink when printing. The City of Austin is committed to using as many sustainable and green practices as possible in an effort to responsibly conserve natural and financial resources.
Austin City Council

Lee Leffingwell  
*Mayor*

Mike Martinez, Place 2  
*Mayor Pro Tem*

*Council Members*

Chris Riley, *Place 1*  
Kathie Tovo, *Place 3*  
Laura Morrison, *Place 4*  
Bill Spelman, *Place 5*  
Sheryl Cole, *Place 6*

Marc A. Ott  
*City Manager*
# Fiscal Year 2012-13 Action Plan

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Chapter 1
Executive Summary
The City of Austin submits the Fiscal Year (FY) 2012-13 Action Plan as the fourth of five Action Plans in the Fiscal Years 2009-14 Consolidated Plan. An annual Action Plan is required by the U.S. Department of Housing and Urban Development (HUD) from all participating jurisdictions receiving annual entitlement grants. The annual Action Plan is the City’s application to HUD for entitlement grant funding for each fiscal year. These following sections outline general issues related to the FY 2012-13 Action Plan, including available and potential resources. The final document is due to HUD no later than August 15, 2012. It is anticipated the Austin City Council will approve submission of the plan to HUD on August 2, 2012.

In FY 2012-13, the City of Austin expects to receive the following entitlement grants:

- Community Development Block Grant (CDBG);
- HOME Investment Partnerships Program (HOME);
- Housing Opportunities for Persons with AIDS (HOPWA); and
- Emergency Solutions Grant (ESG).

The City of Austin allocates local revenue to the Neighborhood Housing and Community Development (NHCD) Office for community development initiatives that encompass affordable housing and community development activities. For the convenience of its residents and community leaders and for consistency in reporting, the City of Austin has traditionally reflected local funding and accomplishments in its federal reports submitted to HUD. HUD’s guidance regarding the inclusion of non-federal funding sources in an annual Action Plan is that non-federal sources are to be included if they are reasonably expected to be made available to address the needs outlined in the plan.

The FY 2012-13 City’s budget is expected to be approved by the Austin City Council in September 2012. Once the City budget is approved, NHCD will notify HUD of any additional funding allocated by the City that will leverage the federal investment outlined in the FY 2012-13 Action Plan.

NHCD anticipates publishing a comprehensive funding table that includes federal and local funds in September 2012. In an effort to provide the public a comprehensive investment strategy to include both federal and local funding, updated information related to the funding will be available at www.austintexas.gov/housing and will be provided to HUD.

NATIONAL GOALS

National Goals
Federal law requires that housing and community development grant funds primarily benefit low- and moderate-income persons in accordance with the following U.S. Department of Housing and Urban Development (HUD) goals:
Provide a suitable living environment
This includes improving the safety and livability of neighborhoods; increasing access to quality facilities and services; reducing the isolation of income groups within areas by deconcentrating housing opportunities and revitalizing deteriorating neighborhoods; restoring and preserving natural and physical features of special value for historic, architectural, or aesthetic reasons; and conserving energy resources.

Provide decent housing
Included within this broad goal are the following: assist homeless persons in obtaining affordable housing; retain the affordable housing stock; increase the availability of permanent housing that is affordable to low- and moderate-income households without discrimination; and increase supportive housing that includes structural features and services to enable persons with special needs to live with dignity.

Expand economic opportunities
These goals encompass creating jobs accessible to low- and very low-income persons; providing access to credit for community development that promotes long-term economic and social viability; and empowering low-income persons in federally-assisted and public housing to achieve self-sufficiency.

MISSION STATEMENTS

U.S. Department of Housing and Urban Development Mission
To create strong, sustainable, inclusive communities and quality affordable homes. The U.S. Department of Housing and Urban Development (HUD) is working to strengthen the housing market to bolster the economy and protect consumers; meet the need for quality affordable rental homes; utilize housing as a platform for improving quality of life; build inclusive and sustainable communities free from discrimination; and transform the way HUD does business.

Neighborhood Housing and Community Development Office Mission
To provide housing, community development, and small business development services to benefit eligible residents so they can have access to livable neighborhoods and increase their opportunities for self-sufficiency.

Austin Housing Finance Corporation Mission
To generate and implement strategic housing solutions for the benefit of low- and moderate- income residents of the City of Austin. The Austin Housing Finance Corporation (AHFC) issues single-family and multi-family bonds for the financing of reasonably priced housing and assists the City in the delivery of reasonably priced housing programs using HOME Investment Partnerships (HOME) and Community Development Block Grant (CDBG) funds as well as other funding.
LEAD AGENCY AND PARTICIPATING ORGANIZATIONS

**Neighborhood Housing and Community Development Office**
The Neighborhood Housing and Community Development (NHCD) Office is designated by the Austin City Council as the single point of contact for HUD, and is the lead agency for the administration of the CDBG, HOME, HOPWA, and ESG grant programs. NHCD administers the CDBG and HOME programs. The City Council designates the Austin/Travis County Health and Human Services Department (HHSD) to administer the HOPWA and ESG programs. The Economic Growth and Redevelopment Services Office (EGRSO) administers the Family Business Loan Program (FBLP).

NHCD is responsible for developing the 5-Year Consolidated Plan, the Annual Action Plan, and the end-of-year Consolidated Annual Performance and Evaluation Report (CAPER). NHCD develops these reports in partnership with the community, HHSD, EGRSO and guidance from the Community Development Commission (CDC).

**Austin Housing Finance Corporation**
Created in 1979 as a public, non-profit corporation pursuant to Chapter 394 of the Texas Local Government Code, the Austin Housing Finance Corporation (AHFC) administers many of the City’s housing programs. Employees of NHCD manage the funding and operations of AHFC through annual service agreements executed between the City and AHFC.

**Austin/Travis County Health and Human Services Department**
The Austin/Travis County Health and Human Services Department (HHSD) works in partnership with the community to promote health, safety, and well-being. HHSD is comprised of five divisions: Administrative Services, Community Services, Disease Prevention and Health Promotion, Environmental Health Services, and Maternal, Child, and Adolescent Health. HHSD administers a number of housing and public services programs identified under the Homeless/Special Needs priority on the FY 2012-13 Investment Plan.

**Economic Growth and Redevelopment Services Office**
The Economic Growth and Redevelopment Services Office (EGRSO) executes the City of Austin’s economic development strategy, which consists of attracting corporate relocations and expansions, managing urban redevelopment, promoting international business, developing locally-owned small businesses, and developing the creative economy through arts and music. EGRSO administers the Family Business Loan Program identified under the Small Business Assistance priorities funding with Section 108 funds.

**Community Development Commission**
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. The CDC is comprised of 15 members; seven members are elected through a neighborhood-based process and are appointed by the Austin City Council. The CDC also oversees the Community Services Block Grant (CSBG) program managed by HHSD. CSBG regulations
require 15 members including representatives from geographic target areas: Colony Park, Dove Springs, East Austin, Montopolis, Rosewood-Zaragosa/Blackland, St. Johns, and South Austin. For more information on CDC’s mission, visit www.austintexas.gov/boards.

Urban Renewal Board
The Urban Renewal Board (URB) oversees the Urban Renewal Agency’s functions and is comprised of seven members appointed by the Mayor, with consent of the Austin City Council. The Urban Renewal Board 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 Resolution No. 971119-34 on November 19, 1997, declaring the East 11th and 12th Streets Revitalization Area to be a slum and blighted area and designated this area appropriate for an urban renewal project. Subsequently, the Austin City Council approved an Urban Renewal Plan. The City of Austin and the Urban Renewal Agency, in the shared interest of completing the Urban Renewal Project, have entered into an agreement which identifies each party’s roles and responsibilities for the completion of the revitalization for these two corridors.

Reports and Publications
Public documents are available on the NHCD website at: www.austintexas.gov/housing and at the NHCD office: 1000 E. 11th Street, Austin, TX, 78702, Second Floor.
HUD and City of Austin Allocation Process
Exhibit 1.1 provides a high-level outline of the allocation and reporting process for the: 5-Year Consolidated Plan, annual Action Plan, and the Consolidated Annual Performance and Evaluation Report (CAPER).

Exhibit 1.1: HUD and COA Allocation Process

Federal Requirements

City Requirements

- **5-Year Consolidated Plan (CON Plan)**
- **Action Plan**
- **Consolidated Annual Performance and Evaluation Report (CAPER)**
- **Annual Business Plan**
- **Annual Budget**
- **Annual Audit**

**Residents of Austin**
Through the Citizen Participation Plan process, residents provide input to the CDC, Austin City Council and staff.

**Community Development Commission (CDC)**
The CDC has an opportunity to make recommendations on the reports to Austin City Council.

**Austin City Council**
The Austin City Council authorizes the submission of the 5-Year Con Plan, annual Action Plan and CAPER to HUD.

**Austin City Council**
Approves Annual Budget based on Annual Action Plan.

**U.S. Department of Housing and Urban Development (HUD)**
HUD approves reports and allocates funds.

**Austin City Council**
Approves 5-Year Consolidated Plan.
Chapter 1: Executive Summary

FY 2009-14 CONSOLIDATED PLAN PRIORITIES

Every five years, the City of Austin’s Neighborhood Housing and Community Development Office (NHCD) develops a 5-Year Consolidated Plan or strategic plan outlining the City’s plan to address Austin’s ongoing affordable housing, community development, economic development, and public service needs.

HUD requires that the public be provided opportunities to participate in the development of the Consolidated Plan. This process contains two distinct periods - the needs assessment and draft comment period. HUD also requires the City to adopt a Citizen Participation Plan (CPP). The City of Austin’s CPP provides for enhanced opportunities for public input beyond federal requirements and was adopted by the Austin City Council on March 28, 1996. Austin’s CPP was last amended on December 15, 2011, to establish a more efficient process and increase public awareness and public participation in the development of these Consolidated Plan reports and administration of federal funding. When developing the FY 2009-14 Consolidated Plan, the City’s goal was to ensure a collaborative process by which the community, in partnership with the City, created a unified vision of housing and community development needs, priorities, and actions. An instrumental element in this process was citizen participation. For the FY 2009-14 Consolidated Plan, the City received public input through the following:

Needs Assessment Period
- Five Public Hearings
- A Citizen Survey in English and Spanish
- Nine Stakeholder meetings
- 30-day Written Comment Period

Draft Comment Period
- Two Public Hearings
- 30-day Written Comment Period

HUD’s Housing and Community Development Activities table in Exhibit 1.2 serves as a guide for funding priorities for Austin for FY 2009-14. This section summarizes the funding priorities that will be implemented to achieve the objectives and accompanying strategies for the 5-year plan. The funding priorities were established based on the housing and community development needs identified through public and stakeholder input, the housing market analysis and the analysis of special populations. The City of Austin also used the Analysis of Impediments to Fair Housing report and several other studies to form these priorities. All the proposed funding priorities will serve very-low, low- and moderate-income households in the City of Austin. In addition to household incomes, the activities will serve special needs populations including: seniors, persons with disabilities, persons experiencing homelessness, and persons living with HIV/AIDS. Activities designated as high priority will be funded by the City of Austin in FY 2012-13. Medium priority activities will be funded if funds are available. Low priority activities will not be funded.
Household incomes are based on the Median Family Income (MFI) definitions updated by HUD annually. NHCD uses the 2011 Rent and Income Limits issued by the Texas Department of Housing and Community Affairs (TDHCA). The 2012 MFI established by HUD, for Austin-Round Rock-San Marcos, TX MSA is $75,909. To view the 2012 Rent and Income Limits, visit Appendix XVI.
<table>
<thead>
<tr>
<th>Program</th>
<th>Program Description</th>
<th>Priority for Federal Funds</th>
<th>FY 2009-14 Con Plan Goal</th>
<th>Objectives and Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeless/ Special Needs</td>
<td>Homeless/Special Needs Assistance provides services to the City’s most vulnerable populations, including persons experiencing homelessness, persons living with HIV/AIDS, seniors, youth, children and their families.</td>
<td>High</td>
<td>48,894</td>
<td>Suitable Living Environment</td>
</tr>
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<td></td>
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<td></td>
<td>Availability/ Accessibility</td>
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<tr>
<td>Renter Assistance</td>
<td>Renter Assistance provides assistance to renters so that rent is more affordable as well as provides tenants’ rights services to equip renters with information that may allow them more stability. It also provides financial assistance for necessary rehabilitation to make homes accessible.</td>
<td>High</td>
<td>3,770</td>
<td>Decent Housing</td>
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<td></td>
<td>Availability/ Accessibility</td>
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<tr>
<td>Homebuyer Assistance</td>
<td>Homebuyer Assistance provides counseling to renters wishing to become homebuyers and to existing homebuyers to help them stay in their homes. This category includes the Down Payment Assistance Program, which offers loans to qualifying low- and moderate-income homebuyers to help them buy their first home.</td>
<td>High</td>
<td>1,490</td>
<td>Suitable Living Environment</td>
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<td>Sustainability</td>
</tr>
<tr>
<td>Homeowner Assistance</td>
<td>Homeowner Assistance provides services for low- and moderate-income individuals who own their homes, but need assistance to make it safe, functional, and/or accessible.</td>
<td>High</td>
<td>4,419</td>
<td>Decent Housing</td>
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<td></td>
<td>Availability/ Accessibility</td>
</tr>
<tr>
<td>Housing Developer Assistance</td>
<td>Housing Developer Assistance includes NHCD programs that offer assistance to non-profit and for-profit developers to build affordable housing for low- and moderate-income households.</td>
<td>High</td>
<td>5,677</td>
<td>Decent Housing</td>
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<td></td>
<td>Availability/ Accessibility</td>
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<tr>
<td>Commercial Revitalization</td>
<td>Commercial Revitalization includes programs related to the revitalization of the East 11th and 12th Street Corridors. These programs include commercial acquisition and development, historic preservation efforts related to the Dedrick-Hamilton House as well as public facilities and parking facilities within the Corridors.</td>
<td>High</td>
<td>23,352</td>
<td>Creating Economic Opportunity</td>
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<td></td>
<td></td>
<td>Sustainability</td>
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<tr>
<td>Small Business Assistance</td>
<td>Small business assistance will provide a range of services for small business, from technical assistance to gap financing, to ensure not only the success of growing small businesses in the community, but also to encourage the creation of jobs for low- and moderate-income households.</td>
<td>High</td>
<td>223</td>
<td>Creating Economic Opportunity</td>
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<td></td>
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<td></td>
<td></td>
<td>Availability/ Accessibility</td>
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<tr>
<td>Public Facilities</td>
<td>The East 11th and 12th Streets Revitalization: Public Facilities will complete the development of the African-American Cultural and Heritage Facility.</td>
<td>Medium</td>
<td>0</td>
<td>Creating Economic Opportunity</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>N/A</td>
<td>Low</td>
<td>0</td>
<td>N/A</td>
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<tr>
<td>Total</td>
<td></td>
<td>87,825</td>
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EVALUATION OF PAST PERFORMANCE

The City of Austin reports its progress towards goals set in the 5-Year Consolidated Plan and Annual Action Plans in the yearly evaluation report, the Consolidated Annual Performance and Evaluation Report (CAPER). Exhibits 1.3 and 1.4 illustrate Austin’s 5-year priorities, affordable housing and community development goals and actual accomplishments. The data was reported in the City’s FY 2010-11 CAPER which was submitted to HUD in December 2011.

Exhibit 1.3: Consolidated Plan Goals, and Accomplishment

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<td>Housing, Community Development and Public Services</td>
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<td>18,434</td>
<td>17,614</td>
<td>16,052</td>
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<td>Total Households</td>
<td>87,825</td>
<td>17,755</td>
<td>18,434</td>
<td>17,614</td>
<td>16,052</td>
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<td>-------------------</td>
<td>---------------------</td>
<td>-------------------</td>
</tr>
<tr>
<td>Priority 1: Homeless/Special Needs</td>
<td>Person experiencing homelessness, elderly, persons with disabilities, at-risk youth, very low-income households, and persons living with HIV/AIDS</td>
<td>9,646</td>
<td>10,526</td>
<td>9,797</td>
<td>10,252</td>
</tr>
<tr>
<td>Priority 2: Renter Assistance</td>
<td>Persons experiencing homelessness, persons with disabilities, vulnerable populations, and very low-to moderate-income households</td>
<td>754</td>
<td>840</td>
<td>684</td>
<td>942</td>
</tr>
<tr>
<td>Priority 3: Homebuyer Assistance</td>
<td>Persons with disabilities and very low-to moderate-income households</td>
<td>370</td>
<td>421</td>
<td>350</td>
<td>370</td>
</tr>
<tr>
<td>Priority 4: Homeowner Assistance</td>
<td>Persons with disabilities and very low-to moderate-income households</td>
<td>1,189</td>
<td>957</td>
<td>876</td>
<td>818</td>
</tr>
<tr>
<td>Priority 5: Housing Developer Assistance</td>
<td>Very low- to moderate-income households, persons with disabilities, and Community Housing Development Organizations (CHDOs)</td>
<td>1,057</td>
<td>982</td>
<td>958</td>
<td>1460</td>
</tr>
<tr>
<td>Priority 6: Commercial Revitalization</td>
<td>Very low- to moderate-income households, small businesses</td>
<td>4,677</td>
<td>4,668</td>
<td>4,668</td>
<td>2,170</td>
</tr>
<tr>
<td>Priority 7: Small Business Assistance</td>
<td>Small businesses, job creation for low-income households</td>
<td>62</td>
<td>40</td>
<td>52</td>
<td>40</td>
</tr>
<tr>
<td>Priority 8: Financial Empowerment</td>
<td>Low- and moderate-income households</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>TOTAL</td>
<td>XXXX</td>
<td>XXXX</td>
<td>XXXX</td>
<td>XXXX</td>
<td>XXXX</td>
</tr>
</tbody>
</table>
OUTCOME PERFORMANCE MEASURES

The City of Austin’s outcome performance measures allow HUD to clearly demonstrate program results at the national level. Exhibit 1.5 provides the breakdown of the outcome performance measures for the FY 2012-13 Action Plan by activity, HUD objective and HUD outcome.

Exhibit 1.5: Outcome Performance Measures

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>HUD OBJECTIVE</th>
<th>HUD OUTCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeless/Special Needs Assistance</td>
<td>Suitable Living Environment</td>
<td>Availability/Accessibility</td>
</tr>
<tr>
<td>ESG – Shelter Operation and Maintenance (ARCH)</td>
<td>Suitable Living Environment</td>
<td>Availability/Accessibility</td>
</tr>
<tr>
<td>ESG – FrontSteps –ESG12 HMIS</td>
<td>Suitable Living Environment</td>
<td>Availability/Accessibility</td>
</tr>
<tr>
<td>ESG - CDU Rapid Rehousing Services</td>
<td>Suitable Living Environment</td>
<td>Availability/Accessibility</td>
</tr>
<tr>
<td>ESG - Rapid Rehousing - Housing Relocation &amp; Stabilization Services</td>
<td>Suitable Living Environment</td>
<td>Availability/Accessibility</td>
</tr>
<tr>
<td>ESG – DACC – ESG11 HIMS</td>
<td>Suitable Living Environment</td>
<td>Availability/Accessibility</td>
</tr>
<tr>
<td>ESG – CDU Rapid Rehousing - Housing Relocation &amp; Stabilization Services</td>
<td>Suitable Living Environment</td>
<td>Availability/Accessibility</td>
</tr>
<tr>
<td>HOPWA – STRMU</td>
<td>Decent Housing</td>
<td>Affordability</td>
</tr>
<tr>
<td>HOPWA – Tenant-Based Rental Assistance (TBRA)</td>
<td>Decent Housing</td>
<td>Affordability</td>
</tr>
<tr>
<td>HOPWA – Permanent Housing Placement (PHP)</td>
<td>Decent Housing</td>
<td>Affordability</td>
</tr>
<tr>
<td>HOPWA – Short-Term Supported Housing Assistance (STSH)</td>
<td>Decent Housing</td>
<td>Affordability</td>
</tr>
<tr>
<td>HOPWA – Transitional Housing Assistance</td>
<td>Decent Housing</td>
<td>Affordability</td>
</tr>
<tr>
<td>HOPWA – Supportive Services</td>
<td>Decent Housing</td>
<td>Affordability</td>
</tr>
<tr>
<td>Child Care Services</td>
<td>Suitable Living Environment</td>
<td>Availability/Accessibility</td>
</tr>
<tr>
<td>Senior Services</td>
<td>Suitable Living Environment</td>
<td>Availability/Accessibility</td>
</tr>
<tr>
<td>Youth Support Services</td>
<td>Suitable Living Environment</td>
<td>Availability/Accessibility</td>
</tr>
<tr>
<td>Renter Assistance</td>
<td>Suitable Living Environment</td>
<td>Availability/Accessibility</td>
</tr>
<tr>
<td>Tenant-Based Rental Assistance (TBRA)</td>
<td>Decent Housing</td>
<td>Affordability</td>
</tr>
<tr>
<td>Tenants' Rights Assistance</td>
<td>Suitable Living Environment</td>
<td>Availability/Accessibility</td>
</tr>
<tr>
<td>Architectural Barrier Removal Program – Rental</td>
<td>Suitable Living Environment</td>
<td>Availability/Accessibility</td>
</tr>
<tr>
<td>Homebuyer Assistance</td>
<td>Suitable Living Environment</td>
<td>Availability/Accessibility</td>
</tr>
<tr>
<td>Housing Smarts</td>
<td>Decent Housing</td>
<td>Affordability</td>
</tr>
<tr>
<td>Down Payment Assistance</td>
<td>Decent Housing</td>
<td>Affordability</td>
</tr>
<tr>
<td>Homeowner Assistance</td>
<td>Suitable Living Environment</td>
<td>Availability/Accessibility</td>
</tr>
<tr>
<td>Architectural Barrier Program - Owner</td>
<td>Decent Housing</td>
<td>Sustainability</td>
</tr>
<tr>
<td>Emergency Home Repair Program</td>
<td>Suitable Living Environment</td>
<td>Sustainability</td>
</tr>
<tr>
<td>Homeowner Rehabilitation Loan Program</td>
<td>Suitable Living Environment</td>
<td>Sustainability</td>
</tr>
<tr>
<td>Lead Smart Program</td>
<td>Suitable Living Environment</td>
<td>Sustainability</td>
</tr>
<tr>
<td>G.O. Repair Program</td>
<td>Suitable Living Environment</td>
<td>Sustainability</td>
</tr>
<tr>
<td>Holly Good Neighbor</td>
<td>Suitable Living Environment</td>
<td>Sustainability</td>
</tr>
<tr>
<td>Housing Developer Assistance</td>
<td>Suitable Living Environment</td>
<td>Sustainability</td>
</tr>
<tr>
<td>Rental Housing Development Assistance</td>
<td>Decent Housing</td>
<td>Affordability</td>
</tr>
<tr>
<td>Acquisition and Development</td>
<td>Decent Housing</td>
<td>Affordability</td>
</tr>
<tr>
<td>CHDO Operating Expenses Grants</td>
<td>Decent Housing</td>
<td>Affordability</td>
</tr>
<tr>
<td>Developer Incentives Program</td>
<td>Decent Housing</td>
<td>Affordability</td>
</tr>
<tr>
<td>Commercial Revitalization</td>
<td>Creating Economic Opportunity</td>
<td>Sustainability</td>
</tr>
<tr>
<td>East 11th/12th Streets - Acquisition &amp; Development</td>
<td>Creating Economic Opportunity</td>
<td>Sustainability</td>
</tr>
<tr>
<td>East 11th/12th Streets - Historic Preservation</td>
<td>Creating Economic Opportunity</td>
<td>Sustainability</td>
</tr>
<tr>
<td>East 11th/12th Streets - Public Facilities</td>
<td>Creating Economic Opportunity</td>
<td>Sustainability</td>
</tr>
<tr>
<td>East 11th/12th Streets - Parking Facilities</td>
<td>Creating Economic Opportunity</td>
<td>Sustainability</td>
</tr>
<tr>
<td>Small Business Assistance</td>
<td>Creating Economic Opportunity</td>
<td>Availability/Accessibility</td>
</tr>
<tr>
<td>Community Development Bank</td>
<td>Creating Economic Opportunity</td>
<td>Sustainability</td>
</tr>
<tr>
<td>Microenterprise Technical Assistance</td>
<td>Creating Economic Opportunity</td>
<td>Sustainability</td>
</tr>
<tr>
<td>Family Business Loan Program (FBLP)</td>
<td>Creating Economic Opportunity</td>
<td>Sustainability</td>
</tr>
<tr>
<td>Financial Empowerment</td>
<td>Creating Economic Opportunity</td>
<td>Availability/Accessibility</td>
</tr>
<tr>
<td>Individual Development Account (IDA)</td>
<td>Creating Economic Opportunity</td>
<td>Availability/Accessibility</td>
</tr>
</tbody>
</table>
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FY 2012-13 ACTION PLAN PUBLIC INPUT PROCESS

The Action Plan is a one-year strategic plan that outlines the community’s needs, priorities, local and federal resources, and proposed activities for the upcoming fiscal year. The City’s FY 2012-13 Action Plan must show progress towards meeting the established goals in the FY 2009-14 Consolidated Plan. Participating jurisdictions (PJs) that receive entitlement grants must develop a Citizen Participation Plan (CPP). The CPP describes efforts that will be undertaken to encourage citizens to participate in the development of its federal reports: 5-Year Consolidated Plan, annual Action Plan, and the Consolidated Annual Performance and Evaluation Report (CAPER).

The City of Austin’s CPP requires that the City conduct two public hearings during the community needs assessment period. There is a 30-day public comment period on the draft Action Plan – the City will provide the draft report electronically online and will provide hardcopies at ten community centers. During the 30-day public comment period, there are two additional public hearings on the draft Action Plan. The public hearings are held before the Community Development Commission (CDC) and before the Austin City Council.

Community Needs Assessment Period (March 19 - April 27, 2012)

In developing the annual Action Plan, community feedback is instrumental in setting priorities for the use of funds. The FY 2012-13 Action Plan community engagement process was especially important because of further reductions in federal funding. NHCD worked closely with the City’s Corporate Public Information Office (CPIO) to develop an extensive community engagement and outreach strategy with the intent to increase awareness of the community needs assessment period, gain interest and increase public participation. The collaborative efforts of NHCD and CPIO resulted in the development of a FY 2012-13 Action Plan web site, an online survey, and the design and implementation of various marketing and promotional materials highlighting ways to participate in the community needs assessment.

The community needs assessment provided a variety of channels for the community to participate. To view the needs assessment, “6 Ways to Take Action” flyer, visit page 1-13.
1. **Lend a Word**

   What is the most critical need facing your community? Submit your idea online and check back in April to see what Austinites are saying.

2. **Rank Your Priorities**

   What should be a priority? Helping residents buy and keep a home or invest in local businesses and new jobs? Tell us what you think. Rank priorities online.

3. **Create a Conversation:**

   ➔ Financial Empowerment in Austin - March 30, 2012
   ➔ Healthy Homes & Home Repair - April 13, 2012
   ➔ Affordable Housing Across Austin - April 24, 2012
   Times and locations: www.austintexas.gov/housing.

4. **Host a Meeting**

   Be a community needs champion. We invite you to host a brief exercise at your next neighborhood association meeting, professional gathering, church get-together, PTA event or any other group gathering. We will provide you with a kit and activities for participants to discuss community needs in Austin. Find details online.

5. **Voice Your Ideas**

   Public hearings will be conducted before the Community Development Commission and the Austin City Council on the City’s Community Needs Assessment and the Draft Action. Find dates and locations online.

6. **Give Us Comments**

   Submit comments by email to NHCD@austintexas.gov or by mail to: NHCD Attn: Action Plan, P.O. Box 1088, Austin, TX 78767. Deadline to submit comments is **April 27, 2012**.
**Chapter 1: Executive Summary**

**6 Ways to Take Action**

The following provides an overview of these six ways for the community to take action and participate.

1. **Lend a Word**

   NHCD offered an online and hard copy “Take Action: Help the City of Austin Prioritize Resources for Low-Income Residents,” prioritization activity asking Austin residents to prioritize the City’s seven Investment Plan priority categories. As a component of this activity, participants were asked, “in one word or phrase, what is the most critical need facing your community?”

   The purpose was to gather responses from this question and generate a “word cloud” or an image that is created through the use of words and to provide a greater prominence of the overall themes of community input. NHCD’s objective in posing this question was to provide a snapshot on what the Austin community considers is the most critical need facing the community. Exhibit 1.6 displays the ideas shared by participants - a variety of ideas were submitted on this topic including affordable housing, job creation, employment, ending homelessness, and education. This educational and outreach exercise is an important visual tool to increasing awareness about the importance of affordable housing and is helpful in identifying how investment benefits Austin residents.

**Exhibit 1.6: Austin’s Word Cloud**
City of Austin Fiscal Year 2012-13 Action Plan
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2. Rank Your Priorities

NHCD also coordinated a prioritization activity as a part of its community needs assessment process, “Take Action: Help the City of Austin Prioritize Resources for Low-Income Residents.” This activity was administered at Board & Commission meetings, Community Conversations events, public hearings, at enhanced outreach opportunities, and in an online survey format at: www.neighborhoodhousing.austintexas.icanmakeitbetter.com/ideas.

The prioritization activity provided an opportunity for the participants to prioritize FY 2012-13 funding for affordable housing, community development, economic development, and public services. Each participant was asked to rank NHCD’s Investment Plan categories in priority order, with “1” being most important. The Investment Plan outlines affordable housing, community development, economic development, and public service activities under seven categories:

- Homeless/Special Needs,
- Renter Assistance,
- Homebuyer Assistance,
- Homeowner Assistance,
- Housing Developer Assistance,
- Commercial Revitalization, and
- Small Business Assistance.

Exhibit 1.7 illustrates the results from the prioritization activity provided to participants. Staff calculated the results based on weighted sums in order to provide a snapshot of the results. The prioritization was allotted fairly equally across all Investment Plan categories, with Homeless/Special Needs Assistance and Housing Developer Assistance as the top ranking priority areas. There were 227 individuals who participated and completed the Take Action prioritization activity. In addition, participants were asked to identify what the most critical need facing their community.

Below are the enhanced outreach events where NHCD offered the prioritization activity:

- February 23, 2012: My Health/My Voice Forum,
- April 10, 2012: Austin Tenants’ Council Fair Housing Event,
- April 24, 2012: Community Conversation - Affordable Housing Across Austin, and

To view a copy of the prioritization activity, visit page 1-17.
Exhibit 1.7 Take Action: Prioritization Activity
Take Action
Help the City of Austin prioritize resources for low-income residents.

Prioritization Activity
Each square represents an investment area for the City’s Neighborhood Housing and Community Development Office. Place numbered sticker dots in your priority order, with “1” being most important.

- **Assisting homeless and special needs population**
  Provide housing, financial services and supportive services to persons experiencing homelessness or with special needs and considered Austin’s most vulnerable populations.

- **Assisting renters to improve living conditions**
  Provide tenant-based rental assistance, utility and security deposits; and home repairs to modify the rental units of low-income making homes more accessible.
  Offer support services that educate renters and promote housing rights.

- **Helping residents buy and keep their home**
  Expand the resources available for low- to moderate-income renters wanting to become homeowners through down-payment assistance.
  Provide homeownership, financial literacy, and foreclosure prevention counseling to low- and moderate-income households.

- **Providing home repairs and safety improvements**
  Assist low- and moderate-income homeowners with necessary home repairs to make their homes safe, habitable and accessible allowing owners to stay in their homes and improving the City’s aging housing stock.

- **Funding developers/partners to create affordable housing**
  Encourage development of affordable rental and homebuyer housing, including permanent supportive housing, for low- and moderate-income households through developer incentives.

- **Commercial redevelopment and revitalization**
  Provide funding and technical assistance to eligible organizations to improve the economic viability of neighborhoods and promote the creation of jobs.

- **Investing in local businesses and new jobs**
  Help small businesses grow and prosper through financing and technical assistance to improve the economic viability of neighborhoods and promote the creation and/or retention of jobs.

- **In one word or phrase, what is the most critical need facing your community?**

Thank you very much for your participation.

www.austintexas.gov/housing

The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request.
3. **Create a Conversation**

For the FY 2012-13 Action Plan and in preparation of the FY 2014-19 Consolidated Plan, NHCD hosted a series of three Community Conversations focusing on key areas that brought together Austin residents, stakeholders, and City leaders to share ideas on important policy and program areas responsive to community needs.

The key areas of focus included financial education and empowerment tools in Austin; home repair programs and creating healthy homes and lifestyles for Austinites; and a policy discussion to better achieve affordable housing in all parts of Austin.

These Community Conversations provided an opportunity for stakeholders and City staff to discuss enhancements, service delivery, best practices, and hear from local and national experts in each subject area.

**Financial Empowerment in Austin!**
The Financial Empowerment in Austin! community conversation brought together 32 people representing 20 local agencies whose missions and efforts are dedicated to promoting financial empowerment and offering financial educational tools to individuals seeking assistance for personal or professional growth.

The overall theme that was highlighted throughout the dialogue was the need for enhanced coordination between all agencies. Agencies stated that there are a wealth of programs and innovative ideas that local agencies provide; however, together, there needs to be better coordination and enhanced communication ensuring clients’ needs are met.

Organizations that participated in the conversation included: Austin Area Urban League, Austin Community College, City of Austin, ClearPoint, Cornerstone Financial Education, Austin City Council Member Bill Spelman’s Office, Financial Literacy Coalition, Foundation Communities, Frameworks CDC, Frost Bank, Austin Habitat for Humanity, Housing Authority of the City of Austin, LifeWorks, Opportunity Texas, PeopleFund, SafePlace, Texas Department of Housing and Community Affairs, and United Way Capital Area.

**Healthy Homes & Home Repair**
The Healthy Homes & Home Repair community conversation brought together over 25 key stakeholders whose efforts are dedicated to providing critical home repair services to help keep residents’ homes hazard-free and accessible. As a result, these services create healthier homes and preserve the affordable housing stock in Austin.

The dynamic conversation provided an opportunity for several participants to voice their unique perspectives and offer insight on how the City can enhance partnerships, create a more comprehensive approach in offering services to low-income residents and streamline referral processes to ensure a more prompt and efficient repair process. The consistent theme taken from the conversation was the need for a comprehensive assessment tool that can be utilized by the City of Austin and local service providers to identify households in need of home repair. In addition, there were requests for more
collaboration and consultation among the City of Austin and local agencies when designing and launching new home repair programs. Professionals shared knowledge of other models and examined how those practices could enhance service delivery.

Organizations that participated in the conversation included: Austin Area Urban League, Austin Habitat for Humanity, Community Action Network, Easter Seals of Central Texas Community Housing Services, Home Repair Coalition, Meals on Wheels and More, and Women.Design.Build.

Affordable Housing Across Austin
The Affordable Housing Across Austin community conversation brought together community members, City leaders and representatives from other municipalities whose efforts are dedicated to ensuring affordable housing is geographically dispersed throughout Austin. About 70 individuals and representatives from local organizations participated in this event.

The conversation featured presentations on current and past City efforts for geographic dispersion: Council Member Laura Morrison gave an overview of the Council direction to create a policy recommendation; Community Development Commission, Dr. Elizabeth Mueller discussed the historical context and value of the deconcentration of poverty, and NHCD’s Assistant Director Rebecca Giello provided the audience with the City’s efforts to research and develop a recommendation.

Panelists who provided insight on successes and challenges in implementing housing siting policies included:

- Center for Housing Policy – National Overview,
- City of Dallas – Housing Element,
- City of Raleigh – Scattered Site Policy,
- City of San Jose – Siting Policy,
- City of Charlotte – Housing Location Policy.

For more information on the Affordable Housing Siting Policy Interim Update, visit Appendix XIV.

Organizations that participated in the conversation included: Accessible Housing Austin!, African American Resource Advisory Commission, Austin Independent School District, American YouthWorks, Austin Neighborhoods Council (ANC), ARM Holdings (The Architecture for Digital World), Austin Restoration Ministries, Austin Tenants’ Council, Austin Travis County Integral Care (ATCIC), Blackland Community Development Corporation (BCDC), City of Austin, Community Development Commission (CDC), Child Inc., Downtown Austin Alliance, Economic Growth Business Incubator (EGBI), Ending Community Homelessness Coalition (ECHO), Foundation Communities, Foundation for the Homeless, Frameworks CDC, FrontSteps, Inc. Guadalupe Neighborhood
Development Corporation (GNDC), Goodwill Industries of Texas, Housing Authority for the City of Austin (HACA), LifeWorks, Meals on Wheels and More, National Alliance on Mental Illness, Parent Leader, Project Transitions, Texas Masonry Council, Texas State University, Travis County, Trinity Center Austin, Texas State Affordable Housing Corporation (TSAHC), and University Hills Neighborhood Association (UHNA).

To view a copy of the Community Conversation event flyer, visit page 1-21. To view the following Community Conversation materials, visit Appendix I.
Financial Empowerment in Austin!

Friday, March 30, 9 am - 10:30 am
Neighborhood Housing and Community Development Office, 1000 E. 11th Street, Room 400A

Conversation topics will include financial education, and homebuyer education, including the City’s down payment assistance program. Learn about programs underway in Austin and join in the casual dialogue to ensure NHCD’s programs are responsive to residents’ needs.

Healthy Homes & Home Repair

Friday, April 13, 9 am - 10:30 am
Neighborhood Housing and Community Development Office, 1000 E. 11th Street, Room 400A

Often, maintaining or making needed repairs on a house over time can be out of reach for Austin’s low-income households. Join NHCD to learn about existing programs and discuss ideas for healthy homes for Austinites.

Affordable Housing Across Austin

Tuesday, April 24, 9 am - noon
Austin City Hall, City Council Chambers, 301 W. 2nd St.

The City continues to explore, through important policy discussions, how to ensure affordable housing in all parts of Austin. Other communities have tried different strategies: Hear how other communities achieve affordable housing and weigh in on strategies best for Austin!

RSVPs requested to NHCD@austintexas.gov.

Questions? Contact Patricia Bourenane at (512) 974-1057 or patricia.bourenane@austintexas.gov.

www.austintexas.gov/housing

Neighborhood Housing and Community Development
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4. **Host a Meeting**

NHCD invited Austin residents to be community needs champions by hosting a brief prioritization activity at a neighborhood association meeting, professional gathering, Parent-Teacher Association (PTA) event or any other group gathering.

In addition, NHCD staff briefed the following Board & Commissions and local agencies on the annual Action Plan process and invited the commissioners to participate in furthering outreach for NHCD by hosting meetings and administering a prioritization exercise: African American Resource Advisory Commission (AARAC), Community Development Commission (CDC), Early Childhood Committee, Ending Community Homelessness Coalition (ECHO), Mayor’s Committee for Persons with Disabilities, and the Urban Renewal Board (URB).

NHCD recognized five volunteers and local agencies as its FY 2012-13 Action Plan Champions and celebrated Community Development Week on April 10, 2012, during the Austin City Council meeting. Local agencies and individuals were recognized for continued support to promote the City’s outreach effort to educate the community to participate in the community needs assessment process. For more information, visit Appendix I.

5. **Voice Your Ideas**

The input provided at community needs assessment public hearings is used to develop the Draft FY 2012-13 Action Plan. Two public hearings were conducted, one before the Community Development Commission (CDC) and one before the Austin City Council to receive public input.

Community Needs Assessment Public Hearings
- March 27, 2012: Community Development Commission (CDC)
- April 5, 2012: Austin City Council

A summary of the public input received during the Community Needs Assessment and Day Draft Comment Period is available in Appendix I or online at www.austintexas.gov/housing.

6. **Give Us Comments**

In addition to the public hearings and meeting forums that provided opportunities for the Austin community to provide input, NHCD accepted comments submitted via postal mail and email. (NHCD@austintexas.gov). To view the public input received along with NHCD’s analysis, visit Appendix I.
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Draft Comment Period (June 1 – July 1, 2012)
The 30-day Draft Comment Period allowed the public an opportunity to provide specific feedback on the recommended priorities and activities outlined in the FY 2012-13 Draft Action Plan. The City of Austin received 13 comments and written testimony from the public regarding the draft Action Plan. This includes public testimony before the Community Development Commission (CDC) and the Austin City Council.

Draft Comment Period Public Hearings

- June 12, 2012: Community Development Commission (CDC)
- June 14, 2012: Austin City Council

To view the public input received along with NHCD’s analysis, visit Appendix I.

Action by the Community Development Commission (CDC) (July 10, 2012)
The CDC at their July 10th regularly scheduled meeting voted to approve recommending the Draft FY 2012-13 Action Plan with the following motions:

- Recommends that the Austin City Council increase Sustainability Funds (SF) for administrative and operational expenses required for NHCD in FY 2012-13, so that Housing Trust Funds (HTF) are directed to housing programs.

- Recommends that City Council approve $1 million in funding for the Housing Trust Fund (HTF) and designate a portion of that funding for home repair programs and for current program level funding of the Tenant-Based Rental Assistance (TBRA) Program.

Action by the Austin City Council on the final FY 2011-12 Action Plan (August 2, 2012)
The final FY 2012-13 Action Plan was approved by the Austin City Council on August 2, 2012.

FY 2012-13 Action Plan Public Notification
The City’s outreach efforts targeted the general public as well as areas of low-income families and racial/minority concentration. All announcements were published in English and Spanish. In addition, to further outreach efforts and target special populations, NHCD staff highlighted the annual Action Plan process before City of Austin Boards & Commissions and external agencies with missions serve special populations.

The City notified the public about the Community Conversation, public hearings, and “6 Ways to Take Action,” through the City’s Austin Energy PowerPlus Newsletter, utility bill insert, which was mailed to approximately 410,000 Austin residents and published in English and Spanish. This insert to residential utility bills is a targeted and direct mail piece that serves to connect with a significant number of Austin renters and homeowners throughout Austin. To view the PowerPlus Newsletter, visit Appendix I.
COMMUNITY NEEDS ASSESSMENT

Data Profile Update
Austin’s Citizen Participation Plan directs NHCD staff to gather community input and statistical data to prepare the draft Action Plan. With the release of Census 2010 data as well as 5-year estimates for the American Community Survey (2005-09), the following data profile is provided as an update to statistics included in the market analysis section of the FY 2009-14 Consolidated Plan.

Population
Since 1990 the City of Austin’s population has continued to grow at a steady and rapid pace. In 1990 Austin’s population was 465,622. As of 2012 it is estimated that 824,205 people now reside in Austin.\(^1\) Population forecasts show Austin topping one million residents by 2025.\(^2\) Exhibit 1.8 displays data provided by the City’s Planning and Development Review Department which presents Austin’s rapid and consistent population growth.

Exhibit 1.8 Austin’s Population Growth

\(^2\) Robinson, Ryan, City of Austin Planning and Development Review Department. Austin Area Population History and Forecasts. (Austin, TX)
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Chapter 1: Executive Summary

Demographics
The City of Austin has reached a unique threshold in terms of racial composition, by becoming a “majority-minority” city. This means that in Austin, no ethnic or demographic group exists as a majority. The Anglo (non-Hispanic white) share represents just fewer than 49 percent of the population in 2010. The Hispanic (Latino) share has steadily increased since 1990 to 35 percent of the population in 2010. The Asian community has also grown considerably in the last ten years. In 1990, the Asian community represented about 3.3 percent of the population - in 2010 this share has grown to just over 6 percent of the population. African Americans comprised about 10 percent of Austin’s population in 1990. In 2010, the African American percentage has dropped to just under eight percent and is expected to continue to decrease as the city continues to increase in population. African Americans as well as other demographic groups have migrated to surrounding areas outside the city limits - the suburbs and neighboring communities. The geographical dispersion of affordable housing has also moved into the suburbs as the Austin housing market has become more expensive. This also accounts for the migration of residents to the suburbs.

Exhibit 1.9 provides a snapshot of Austin’s demographic profile. Exhibit 1.10 is a map that reflects the racial and ethnic breakdown along with identifying low- and moderate-income households for all census tracts, totally or partially within the Austin city limits.

Exhibit 1.9: Demographic Profile

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3 Robinson, Ryan, City of Austin Planning and Development Review Department. The Top Ten Big Demographic Trends in Austin, Texas. (Austin, TX)
4 U.S. Census Bureau, American Community Survey 5-Year Estimates, 2009 URL: http://www.census.gov/acs/www/
In addition, the Neighborhood Housing and Community Development (NHCD) Office uses this map to identify the City’s Geographic Distribution of CDBG and HOME entitlement grant funding, by mapping proposed projects and funding sources. These maps also display the African American, Hispanic and Asian representations for the City, and Median Family Income (MFI). To view the City’s Geographic Distribution maps, visit Appendix II.

Exhibit 1.10: Racial, Ethnic and Low- to Moderate Income Concentration by Census Tract

Household Types
According to the 2010 Census, approximately 48 percent of Austin households are considered non-family households. These are persons living together that are unrelated - for instance, they may be unrelated roommates or other households who reside together but are not related by blood or marriage. Austin’s large student population feeds into the non-family household share. The remaining 52 percent of Austin’s households are comprised of: married couples with children (18 percent);
married couples without children (19 percent); single parents (nine percent) and; six percent are categorized as other family households.5

Exhibit 1.11: Household Type

Median Household Income
The median household income increased between 2005 through 2008. The reported 2010 median household income has fallen 8 percent from the 2008 level. This decrease is consistent with the decrease in median household income for Travis County, Texas and the United States. Exhibit 1.12 reflects the increase in income and the shift after 2008.

Exhibit 1.12: Median Household Income

5 U.S. Census Bureau, American Community Survey 5-Year Estimates, 2009 URL: http://www.census.gov/acs/www/1-27
Poverty levels have also increased in Austin. In 1990, the poverty level was slightly below 18 percent. In 2000, the rate dropped to just above 14 percent; however, by 2010, the rate climbed to just over 20 percent. Some groups are disproportionately represented in poverty, especially in the areas of race and ethnicity, age, and education. The Community Action Network (CAN) has found that 27 percent of all Hispanics, 21 percent of all African Americans, 10 percent of all Asians, and 10 percent of all Anglo (non-Hispanic whites) live in poverty in the City of Austin.

Exhibit 1.13 shows the poverty rate in Austin at a plateau between 2005 and 2007. Between 2008 and 2010, there was a 3.8 percent increase in households living below poverty level. Several programs under the City’s Homeless/Special Needs Assistance category provide housing assistance and critical services to individuals, their families and households earning less than 200 percent of the Federal Poverty Guidelines.

Exhibit 1.13: Percent Living Below Poverty Level

Housing Gap Analysis
Many local reports build upon data and conclusions released in the City’s Comprehensive Housing Market Study (2009), particularly the housing gap analysis completed as a component of the study. Exhibit 1.14 below outlines the estimated housing gap by income level and housing continuum category. Exhibits 1.15 and 1.16 outline the projected housing production necessary to serve future projected growth for the estimated gaps in rental and homeownership products. This analysis was published in the FY 2011-12 Action Plan. The statistical data continues to serve as a basis in identifying and addressing community needs for FY 2012-13. NHCD used this data
along with feedback received during the community needs assessment period to develop long-term goals and strategies outlined in this plan.

Exhibit 1.14: Austin Housing Gap Analysis

<table>
<thead>
<tr>
<th>Housing Type</th>
<th>Income Level Served</th>
<th>Number of Occupants</th>
<th>Number of Units</th>
<th>Estimated Housing Gap *</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Housing</td>
<td>0-30% MFI</td>
<td>48,287</td>
<td>9,375</td>
<td>39,912 units</td>
<td>Supportive housing units are included as a portion of the total estimated housing need for rental housing units serving households at or below 30% MFI. For more information on needs for specific types of supportive housing, see Exhibit 8 below.</td>
</tr>
<tr>
<td>Rental Housing</td>
<td>31-50% MFI</td>
<td>37,140</td>
<td>88,392</td>
<td>N/A</td>
<td>While there is no estimated housing gap at this income level, households at this income level are likely to experience difficulty finding adequate rental housing due to the demand placed upon the market renters in other income categories (primarily &lt;30% MFI).</td>
</tr>
<tr>
<td>Rental Housing</td>
<td>51-80% MFI</td>
<td>35,543</td>
<td>68,956</td>
<td>N/A</td>
<td>While there is no estimated housing gap at this income level, households at this income level are likely to experience difficulty finding adequate rental housing due to the demand placed upon the market renters in other categories (primarily &gt;80% MFI).</td>
</tr>
<tr>
<td>Rental Housing</td>
<td>81-120% MFI</td>
<td>26,788</td>
<td>11,840</td>
<td>14,948 units</td>
<td></td>
</tr>
<tr>
<td>Rental Housing</td>
<td>&gt;120% MFI</td>
<td>17,893</td>
<td>1,443</td>
<td>16,450 units</td>
<td></td>
</tr>
<tr>
<td>Home-ownership</td>
<td>0 - 50% MFI</td>
<td>24,590</td>
<td>9,568</td>
<td>15,022 homes</td>
<td></td>
</tr>
<tr>
<td>Home-ownership</td>
<td>51-80% MFI</td>
<td>21,872</td>
<td>30,877</td>
<td>N/A</td>
<td>No estimated housing gap at this income level.</td>
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<tr>
<td>Home-ownership</td>
<td>81-120% MFI</td>
<td>27,319</td>
<td>40,212</td>
<td>N/A</td>
<td>No estimated housing gap at this income level.</td>
</tr>
<tr>
<td>Home-ownership</td>
<td>&gt;120% MFI</td>
<td>67,628</td>
<td>65,551</td>
<td>2,077 homes</td>
<td></td>
</tr>
<tr>
<td>Home Repair</td>
<td>&lt;50% MFI</td>
<td>N/A</td>
<td>N/A</td>
<td>13,286 homes</td>
<td>Imputed figure based on the analysis conducted in the Housing Repair Needs Assessment (2011) report.</td>
</tr>
</tbody>
</table>

Sources: Austin Comprehensive Housing Market Study (2009), Housing Repair Needs Assessment (2011).

Exhibit 1.15: Estimated Production to Meet Forecasted Demand for Extremely Low-Income Renters (Units Renting at $425 and Less)

<table>
<thead>
<tr>
<th></th>
<th>Units per year</th>
<th>Total units needed by 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Units to meet forecasted demand</td>
<td>1,045</td>
<td>12,540</td>
</tr>
<tr>
<td>Units to meet forecasted demand + achieve 10% reduction in gap</td>
<td>1,370</td>
<td>16,440</td>
</tr>
</tbody>
</table>

Source: Comprehensive Housing Market Study (2009).

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* Based on gap analysis conducted in the Comprehensive Housing Market Study (2009). The gap analysis was conducted by comparing the number of renters/homeowners from the American Community Survey data [2007/3-year estimates] with the number of available rental or homeownership units available at a price that does not exceed 30% of the individual’s imputed income. Because the number of extremely low income persons at or below 30% MFI vastly exceeds the number of rental units available to that population, it is reasonable to expect that a majority of those renters are indeed renting but are spending an amount greater than 30% of their income for housing. In other words, low-income renters who are cost-burdened are competing with other households in higher income brackets for available rental housing, increasing demand on the overall rental housing market. A portion of the individuals in the extremely low-income category may also be homeless, precariously housed, or living in substandard housing.

7 Assumptions for this estimate include twelve years of City growth projections (2008-2020) and no change in the homeownership rate.

8 Ibid.
Exhibit 1.16: Estimated Production to Meet Forecasted Demand for Homeownership at Affordable Levels

<table>
<thead>
<tr>
<th>Category</th>
<th>Units per year</th>
<th>Total units needed by 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>8% at $113,000 and less (likely small condos)</td>
<td>264</td>
<td>3,200</td>
</tr>
<tr>
<td>13% at $113,000 - $160,500 (mix of condos and townhomes)</td>
<td>428</td>
<td>5,200</td>
</tr>
<tr>
<td>21% at $160,500 - $240,400 (range of housing options)</td>
<td>692</td>
<td>8,400</td>
</tr>
</tbody>
</table>

Source: Comprehensive Housing Market Study (2009).
CITY OF AUSTIN’S HOUSING CONTINUUM

The objective of the Housing Continuum is to educate the community that an adequate affordable housing stock can only be provided if both the private and the public sectors collaborate along each step of the continuum. The steps on the left of the image reflect housing that requires increased public subsidy. As the continuum moves to the right, the housing products and goals, shown as steps along the continuum, are increasingly funded through the private sector or market rate developers. The continuum reflects the ideal that both the private and public sector must participate to respond to a community's housing needs.

The community needs assessment process continues to affirm the need for investment along the housing continuum for very-low to moderate-income persons.

Exhibit 1.17: Housing Continuum
PROPOSED NEW FEDERAL ENTITLEMENT GRANT FUNDING

In FY 2011-12, the City of Austin received $12.3 million from HUD through four entitlement grants. Austin’s preliminary allocation for FY 2012-13 is $10.8 million, a 12 percent decrease from FY 2011-12. The four entitlement grants provided through HUD are determined by statutory formulas: Community Development Block Grant (CDBG); HOME Investment Partnerships Program (HOME); Emergency Solutions Grant Program (ESG); and Housing Opportunities for Persons with AIDS (HOPWA).

Exhibit 1.18: Proposed New Federal Entitlement Grant Funding

<table>
<thead>
<tr>
<th>Federal Entitlement Grants</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Development Block Grant (CDBG)</td>
<td>$6,692,838</td>
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<tr>
<td>HOME Investment Partnership Program (HOME)</td>
<td>$2,429,177</td>
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<tr>
<td>Emergency Solutions Grant (ESG)</td>
<td>$595,612</td>
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<tr>
<td>Housing Opportunities for Persons with AIDS Program (HOPWA)</td>
<td>$1,100,219</td>
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<tr>
<td><strong>Total Federal Funds</strong></td>
<td><strong>$10,817,846</strong></td>
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</table>
City of Austin Fiscal Year 2012-13 Action Plan
Chapter 2 Funding and Resources

The following Chapter outlines the funding sources in the FY 2012-13 Action Plan budget:

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) ENTITLEMENT FUNDING

Community Development Block Grant (CDBG)
The Community Development Block Grant (CDBG) Program is authorized under Title I of the Housing and Community Development Act of 1974 as amended. The primary objective of CDBG is the development of viable communities by:

- Providing decent housing.
- Providing a suitable living environment.
- Expanding economic opportunities.

To achieve these goals, any activity funded with CDBG must meet one of three national objectives:

- Benefit low- and moderate-income persons.
- Aid in the prevention of slums or blight.
- Meet a particular urgent need.

Revolving Loan Fund
A Revolving Loan Fund (CDBG – Rev. Loan) is a dedicated source of funds to a particular activity from which loans are made for housing or small business development projects. Once loans are repaid to the City, the funds revolve back into the original activity as available new funding.

HOME Investment Partnerships Program
The HOME Program was created by the National Affordable Housing Act of 1990 (NAHA), and has been amended several times by subsequent legislation. The three objectives of the HOME Program are:

- Expand the supply of decent, safe, sanitary, and affordable housing to very low- and low-income individuals.
- Mobilize and strengthen the ability of state and local governments to provide decent, safe, sanitary, and affordable housing to very low- and low-income individuals.
- Leverage private sector participation and expand the capacity of non-profit housing providers.

HOME CHDO
A Community Housing Development Organization (CHDO) is a private nonprofit, community-based organization that has obtained or intends to obtain staff with the capacity to develop affordable housing for the community it serves, and meets the definition of 24 CFR 92.2. The City of Austin must set aside a minimum of 15 percent of the HOME allocation for housing development activities in which qualified CHDOs are the owners, developers, and/or sponsors of the housing.
HOME CHDO Operating Expenses Grants
HOME CHDO Operating (HOME CO) funds are provided as grants based on need and are used for reasonable and necessary operational costs of a CHDO. These funds are not part of the 15 percent set aside for CHDOs.

Emergency Solutions Grant (ESG)
The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEART Act) became law on May 20, 2009, and consolidated several homeless assistance programs administered by the U.S. Department of Housing and Urban Development (HUD). It also renamed the Emergency Shelter Grants program to the Emergency Solutions Grants (ESG) program. The ESG program is designed to be the first step in a continuum of assistance to help clients quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness.

Housing Opportunity for Persons with AIDS (HOPWA)
The Housing Opportunity for Persons with AIDS (HOPWA) Program was established by the U.S. Department of Housing and Urban Development (HUD) to address the specific needs of low-income persons living with HIV/AIDS and their families. HOPWA makes grants to local communities, states, and non-profit organizations. HOPWA funds provide housing assistance and related supportive services in partnership with communities and neighborhoods.

Program Income

CDBG Program Income
CDBG Program Income (CDBG PI) is the gross income received by the City of Austin directly generated by the use of CDBG funds. Program income is available to activities that do not have established revolving loan funds.

HOME Program Income
HOME Program Income (HOME PI) is the gross income received by the City of Austin directly generated by the use of HOME funds.
ADDITIONAL GRANT FUNDING SOURCES

Amy Young Barrier Removal Program
In August 2011, the Texas Department of Housing and Community Affairs released $4 million in funding through its Texas Housing Trust Fund (HTF) for the Amy Young Barrier Removal Program. The program provides one-time grants of up to $20,000 to persons with disabilities, for home modifications necessary for accessibility and the elimination of hazardous conditions. Program beneficiaries may be tenants or homeowners and their household members with disabilities. TDHCD began accepting applications to access the Reservation System starting on August 12, 2011 and will grant access on an ongoing basis until all program funds are reserved, or until August 31, 2012.

Sustainable Communities Initiative
The City of Austin received $3,000,000 in grant funds from HUD to be used to conduct a master plan for the Colony Park tract. The Colony Park Sustainable Communities Initiative is a proposed Master Planned, 208-acre development that will incorporate best practice strategies for energy-efficient building design, water conservation and zero-waste technology and standards to create a model sustainable and livable mixed-use, mixed-income community. The proposed project will support and further six “Livability Principles” outlined by HUD: provide more transportation choices; promote equitable, affordable housing; enhance economic competitiveness; support existing communities; coordinate policies and leverage investment; and value communities and neighborhoods. The project will also provide a platform for collaboration between the City of Austin and other local entities with national reputations for excellence in sustainable initiatives.

Lead Hazard Reduction Demonstration Grant Program
The City of Austin received an award of $2.5 million through HUD’s Lead Hazard Reduction Demonstration Grant Program. The program awards funds to local governments to develop lead-based paint awareness and inspection programs for homes built prior to 1978. Even though lead-based paint was banned for residential use in 1978, HUD estimates approximately 24 million homes still have significant lead-based paint hazards. NHCD will use the grant funding to evaluation 180 homes for the presence of lead and will conduct extensive outreach and education.

National Assets for Independence Demonstration Grant for Individual Development Accounts
The City of Austin received $250,000 in grant funds from the U.S. Department of Health and Human Services, Administration for Children and Families, for a National Assets for Independence demonstration Grant for Individual Development Accounts (IDA). IDAs are special savings accounts designed to assist low-income individuals and families move toward asset ownership through matched savings and financial education. An IDA can be used to buy a first home, pay for college or other training, and start or expand a small business. NHCD will use these funds to administer projects that provide IDAs and related services to low-income individuals and families. Because the participants’ deposits are matched, the account can grow substantially in proportion to the amount deposited on a regular basis.
Section 108 Loan Guarantee Program
The Section 108 Loan Guarantee Program offers local governments a source of financing for economic development, stimulating job growth, large-scale public facility projects, and public infrastructure. HUD sells bonds on the private market and uses the proceeds to fund Section 108 loans to local governments.

Family Business Loan Program
The Family Business Loan Program (FBLP) is a public-private partnership that provides low-cost loans to small business owners who are ready to expand their business and create low- to moderate-income jobs. The City has received two HUD Section 108 loan guarantees to fund the FBLP, a $3 million guarantee received in FY2008 and an $8 million guarantee received in FY2012. The combined $11 million is expected to create at least 314 new jobs. The $3 million loan guarantee will be available for commercial loans on a city-wide basis, while the $8 million loan guarantee will be dedicated to commercial lending in the Saltillo neighborhood. This funding will also leverage other sources of public and private financing from the City’s FBLP partners, a private bank member of the Federal Home Loan Bank (FHLB) and a Small Business Administration (SBA) certified 504 lender. The FBLP is managed by the City’s Economic Growth and Redevelopment Services Office (EGRSO).
CITY OF AUSTIN LOCAL FUNDING SOURCES

The City of Austin allocates local revenue to the Neighborhood Housing and Community Development (NHCD) Office for community development initiatives that encompass affordable housing and community development activities. For the convenience of its residents and community leaders and for consistency in reporting, the City of Austin has traditionally reflected local funding and accomplishments in its federal reports submitted to HUD. HUD’s guidance regarding the inclusion of non-federal funding sources in an annual Action Plan is that non-federal sources are to be included if they are *reasonably expected* to be made available to address the needs outlined in the plan.

Once the City budget is approved, NHCD will notify HUD of any additional funding allocated by the City that will leverage the federal investment outlined in the FY 2012-13 Action Plan. NHCD anticipates publishing a comprehensive funding table that includes federal and local funds in September 2012. In an effort to provide the public a comprehensive investment strategy to include both federal and local funding, updated information related to the funding will be available at www.austintexas.gov/housing and will be provided to HUD.
## FY 2012-13 Action Plan Budget - New Federal Funding Sources

<table>
<thead>
<tr>
<th>HOMELESS/SPECIAL NEEDS ASSISTANCE</th>
<th>Funding Source</th>
<th>New Funding</th>
<th>Proposed FY 2012-13 Accomplishment</th>
</tr>
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<tbody>
<tr>
<td><strong>Emergency Solutions Grant - FY 2012-14</strong></td>
<td>ESG</td>
<td>313,922</td>
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<td>Shelter Operation and Maintenance</td>
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<td>5,272</td>
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<td>Front Steps - HESG12 HMIS</td>
<td>ESG</td>
<td>65,912</td>
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<td>CDU Rapid Rehousing Services</td>
<td>ESG</td>
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<td><strong>Subtotal</strong></td>
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<td>8,640</td>
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<td><strong>Emergency Solutions Grant - FY 2011-13</strong></td>
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<td>-</td>
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<tr>
<td>Front Steps - HESG11 HMIS</td>
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<tr>
<td>Downtown Community Court - HESG 11: Homeless Management Information System</td>
<td>ESG</td>
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<td><strong>Subtotal</strong></td>
<td></td>
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<td>72</td>
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<td><strong>Subtotal, Emergency Solutions Grant</strong></td>
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<td>550,941</td>
<td>8,712</td>
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<td><strong>Housing Opportunities for Persons for AIDS</strong></td>
<td>HOPWA</td>
<td>138,779</td>
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<td>Short-Term Rent, Mortgage, and Utility</td>
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<td>543,511</td>
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<td>Tenant-Based Rental Assistance</td>
<td>HOPWA</td>
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<td>Permanent Housing Placement</td>
<td>HOPWA</td>
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<td>Short-Term Supported Housing Assistance</td>
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<td>195,000</td>
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<td>Transitional Housing</td>
<td>HOPWA</td>
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<td>1,067,212</td>
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<td>Child Care Services</td>
<td>CDBG</td>
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<td>269</td>
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<td><strong>Subtotal, Child Care Services</strong></td>
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<td>578,130</td>
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<td>CDBG</td>
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<td>19,588</td>
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<td>CDBG</td>
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<td>2,397,048</td>
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</table>
### FY 2012-13 Action Plan Budget - New Federal Funding Sources

<table>
<thead>
<tr>
<th></th>
<th>Funding Source</th>
<th>New Funding</th>
<th>Proposed FY 2012-13 Accomplishment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RENTER ASSISTANCE</strong></td>
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<td></td>
<td></td>
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<tr>
<td>Tenant-Based Rental Assistance</td>
<td>HOME</td>
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<td><strong>Subtotal, TBRA</strong></td>
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<td>68</td>
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<tr>
<td>Architectural Barrier Removal Program - Rental</td>
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<td>-</td>
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<td><strong>Subtotal, ARB</strong></td>
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<td>Tenants’ Rights Assistance</td>
<td>CDBG</td>
<td>225,030</td>
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<td><strong>HOMEBUYER ASSISTANCE</strong></td>
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<td>Housing Smarts</td>
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<tr>
<td>Foreclosure Prevention Counseling</td>
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<tr>
<td>Spanish Homebuyer Counseling</td>
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<td><strong>Subtotal, Housing Smarts</strong></td>
<td></td>
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<tr>
<td>Down Payment Assistance</td>
<td>HOME</td>
<td>397,543</td>
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<td>HOME-PI</td>
<td>240,500</td>
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<td><strong>Subtotal, Down Payment Assistance</strong></td>
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<td>638,043</td>
<td>15</td>
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<tr>
<td><strong>Subtotal, Homebuyer Assistance</strong></td>
<td></td>
<td>638,043</td>
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<td><strong>HOMEOwner ASSISTANCE</strong></td>
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<tr>
<td>Architectural Barrier Removal Program - Owner</td>
<td>CDBG</td>
<td>1,509,653</td>
<td>111</td>
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<tr>
<td>Emergency Home Repair Program</td>
<td>CDBG</td>
<td>1,000,000</td>
<td>475</td>
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<tr>
<td>Homeowner Rehabilitation Loan Program</td>
<td>HOME</td>
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<td>Acquisition and Development</td>
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<td><strong>Subtotal, Commercial Revitalization</strong></td>
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## FY 2012-13 Action Plan Budget - New Federal Funding Sources

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<tr>
<td>Neighborhood Commercial Mgmt, Debt Service</td>
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<td>Section 108</td>
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<td><strong>TOTAL, Programs, Debt Service, and Admin Cost</strong></td>
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Budget by Funding Sources
## FY 2012-13 Action Plan Budget - By Funding Source

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<th>Funding Source: Community Development Block Grant (CDBG)</th>
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<td>Child Care Services</td>
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<td>Senior Services</td>
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<tr>
<td>Youth Support Services</td>
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<td><strong>RENTER ASSISTANCE</strong></td>
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<td>Tenants' Rights Assistance</td>
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<td><strong>Subtotal, Renters Assistance</strong></td>
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<td><strong>HOMEOWNER ASSISTANCE</strong></td>
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<tr>
<td>Architectural Barrier Removal Program - Owner</td>
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<tr>
<td>Emergency Home Repair Program</td>
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<td>G.O. Repair! Program</td>
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<td><strong>Subtotal, Homeowner Assistance</strong></td>
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<tr>
<td><strong>HOUSING DEVELOPER ASSISTANCE</strong></td>
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<tr>
<td>Rental Housing Development Assistance</td>
</tr>
<tr>
<td>Acquisition and Development</td>
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<tr>
<td><strong>Subtotal, Housing Developer Assistance</strong></td>
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<tr>
<td><strong>COMMERCIAL REVITALIZATION</strong></td>
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<tr>
<td>East 11th and 12th Streets Revitalization</td>
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<td>Acquisition and Development</td>
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<td>Historic Preservation</td>
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<td>Public Facilities</td>
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<td><strong>Subtotal, East 11th and 12th Streets Revital</strong></td>
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<td><strong>SMALL BUSINESS ASSISTANCE</strong></td>
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<tr>
<td>Community Development Bank</td>
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<td>Microenterprise Technical Assistance</td>
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<tr>
<td>Neighborhood Commercial Management</td>
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<tr>
<td><strong>Subtotal, Small Business Assistance</strong></td>
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<tr>
<td><strong>DEBT SERVICE</strong></td>
</tr>
<tr>
<td>Neighborhood Commercial Mgmt, Debt Service</td>
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<tr>
<td>East 11th and 12th Streets Revital, Debt Service</td>
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<td><strong>Subtotal, Debt Service</strong></td>
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<td><strong>ADMINISTRATION</strong></td>
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<td><strong>TOTAL, CDBG Funding</strong></td>
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2-10
## FY 2012-13 Action Plan Budget - By Funding Source

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>FY 2012-13 New Funding</th>
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<td><strong>Funding Source: Community Development Block Grant - Revolving Loan Fund</strong></td>
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<td>Homeowner Rehabilitation Loan Program</td>
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<td><strong>TOTAL, CDBG-Revolving Loan Funding</strong></td>
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<td><strong>Funding Source: Community Development Block Grant - Program Income</strong></td>
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<td><strong>HOUSING DEVELOPER ASSISTANCE</strong></td>
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<tr>
<td>Rental Housing Development Assistance</td>
<td>CDBG-PI</td>
</tr>
<tr>
<td><strong>ADMINISTRATION</strong></td>
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<tr>
<td>CDBG</td>
<td>CDBG-PI</td>
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<td><strong>TOTAL, CDBG-Program Income</strong></td>
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## FY 2012-13 Action Plan Budget - By Funding Source

<table>
<thead>
<tr>
<th>Funding Source: HOME Investment Partnership Grants</th>
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<td>Tenant-Based Rental Assistance</td>
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<td>Homeowner Rehabilitation Loan Program</td>
<td>HOME 811,044</td>
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<td><strong>HOUSING DEVELOPER ASSISTANCE</strong></td>
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<tr>
<td>Rental Housing and Development Assistance</td>
<td>HOME -</td>
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<td>HOME (CHDO) 182,188</td>
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<tr>
<td>Subtotal, Rental Housing Dev Assist</td>
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<td>HOME 211,406</td>
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<td>Funding Source: HOME Investment Partnership Grants - Program Income</td>
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<td><strong>HOMEBUYER ASSISTANCE</strong></td>
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<td><strong>ADMINISTRATION</strong></td>
<td>HOME-PI</td>
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<td><strong>TOTAL, HOME Programs</strong></td>
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## FY 2012-13 Action Plan Budget - By Funding Source

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<td><em>Homeless/Emergency Shelter</em></td>
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<tr>
<td>Shelter Operation and Maintenance</td>
<td>ESG</td>
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<tr>
<td>Front Steps - HESG12 HMIS</td>
<td>ESG</td>
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<td>CDU Rapid Rehousing Services</td>
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<td>Rapid Rehousing - Housing Relocation and</td>
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<td>Stabilization Services</td>
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<td><strong>Funding Source: Housing Opportunities for Persons with AIDS</strong></td>
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<td>Funding Source: Section 108</td>
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<td><strong>DEBT SERVICE</strong></td>
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<tr>
<td>Neighborhood Commercial Management</td>
<td>Section 108</td>
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<tr>
<td>East 11th and 12th Streets Revital, Debt Service</td>
<td>Section 108</td>
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<td>Family Business Loan Program, Debt Service</td>
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<td><strong>TOTAL, EDI Funding</strong></td>
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### CDBG Administration

**IDIS Project #** 31  
**Project Description**  
Funds provide administrative costs for programs.

**Funding**  
Fund Source(s): CDBG, CDBG-PI  
FY 2012-13 Total Funding: $1,368,968

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<th>Outcome Categories</th>
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**Project Information**  
- **Project Primary Purpose:**  
  - Help the Homeless
  - Help Persons with Disabilities
  - Help Persons with HIV/AIDS
  - Address Public Housing Needs

<table>
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<tr>
<th>Priority Need Category</th>
<th>Matrix Codes</th>
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<tbody>
<tr>
<td>Planning/Administration</td>
<td>21A General Program Administration 570.206</td>
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<tr>
<th>Expected Completion Date</th>
<th>Citation</th>
<th>Location</th>
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<td>9/30/2013</td>
<td>570.206</td>
<td>Community Wide</td>
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### HOME Administration

**IDIS Project #** 32  
**Project Description**  
Funds provide administrative costs for programs.

**Funding**  
Fund Source(s): HOME, HOME-PI  
FY 2012-13 Total Funding: $275,140

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<th>Objective Category</th>
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<tr>
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<td>Local Government</td>
<td>Not Applicable</td>
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**Project Information**  
- **Project Primary Purpose:**  
  - Help the Homeless
  - Help Persons with HIV/AIDS
  - Help Persons with Disabilities
  - Address Public Housing Needs

<table>
<thead>
<tr>
<th>Priority Need Category</th>
<th>Matrix Codes</th>
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</thead>
<tbody>
<tr>
<td>Planning/Administration</td>
<td>21A General Program Administration 570.206</td>
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<table>
<thead>
<tr>
<th>Expected Completion Date</th>
<th>Citation</th>
<th>Location</th>
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</thead>
<tbody>
<tr>
<td>9/30/2013</td>
<td>570.206</td>
<td>Community Wide</td>
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### ESG Administration

**IDIS Project #** 5

**PROJECT DESCRIPTION**
Funds provide administrative costs for programs.

**FUNDING**

**Fund Source(s)** ESG  
**FY 2012-13 Total Funding** $44,671

**PROJECT INFORMATION**

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<tr>
<th>Project Primary Purpose:</th>
<th>Matrix Codes</th>
<th>Priority Need Category</th>
<th>Eligibility</th>
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<tbody>
<tr>
<td>Help the Homeless</td>
<td>21A General Program Administration 570.206</td>
<td>Planning/Administration</td>
<td>Not Applicable</td>
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<tr>
<td>Help Persons with HIV/AIDS</td>
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<td></td>
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<tr>
<td>Help Persons with Disabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Address Public Housing Needs</td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Objective Category</th>
<th>Outcome Categories</th>
<th>Subrecipient</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Applicable</td>
<td>Not Applicable</td>
<td>Local Government</td>
<td>Community Wide</td>
</tr>
</tbody>
</table>

### HOPWA Administration

**IDIS Project #** 34

**PROJECT DESCRIPTION**
Funds provide administrative costs for programs.

**FUNDING**

**Fund Source(s)** HOPWA  
**FY 2012-13 Total Funding** $33,007

**PROJECT INFORMATION**

<table>
<thead>
<tr>
<th>Project Primary Purpose:</th>
<th>Matrix Codes</th>
<th>Priority Need Category</th>
<th>Eligibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Help the Homeless</td>
<td>21A General Program Administration 570.206</td>
<td>Planning/Administration</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Help Persons with HIV/AIDS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Help Persons with Disabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Address Public Housing Needs</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Objective Category</th>
<th>Outcome Categories</th>
<th>Subrecipient</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Applicable</td>
<td>Not Applicable</td>
<td>Local Government</td>
<td>Community Wide</td>
</tr>
</tbody>
</table>

**Expected Completion Date** 9/30/2013  
**Citation** 570.206
NOTICE OF REPROGRAMMING OF FUNDS

NHCD proposes to reprogram the following CDBG and Section 108 funds through the FY12-13 Action Plan process according to the guidelines established in the City of Austin Citizen Participation Plan. Exhibits 2.1 and 2.2 outlines the reprogramming of CDBG and Section 108 funds.

Exhibit 2.1 CDBG

<table>
<thead>
<tr>
<th>Amount</th>
<th>From</th>
<th>To</th>
</tr>
</thead>
<tbody>
<tr>
<td>$74,631</td>
<td>Administration</td>
<td>Housing</td>
</tr>
<tr>
<td>$1,619,892</td>
<td>Community Development</td>
<td>Housing</td>
</tr>
<tr>
<td>$744,229</td>
<td>Debt Service</td>
<td>Housing</td>
</tr>
</tbody>
</table>

Exhibit 2.2 Section 108

<table>
<thead>
<tr>
<th>Amount</th>
<th>From</th>
<th>To</th>
</tr>
</thead>
<tbody>
<tr>
<td>$594,846</td>
<td>Community Development</td>
<td>Debt Service</td>
</tr>
</tbody>
</table>
LEVERAGING

The U.S. Department of Housing and Urban Development (HUD) requires that Participating Jurisdictions (PJs) estimate the amount of funds leveraged by City federal and non-federal funds. Federal requirements define leveraging as other public and private resources that address needs identified in the Consolidated Plan. Exhibit 2.3 shows the estimated funds to be leveraged by the City’s funds for FY 2012-13.

For the Acquisition and Development (A&D) program, and the Down Payment Assistance (DPA) Program, leveraging is the total amount of the mortgage loan minus the amount of City assistance. For the Rental Housing Development Assistance (RHDA), leveraging is the total project funding minus the amount of City assistance.

Exhibit 2.3: Leveraging

<table>
<thead>
<tr>
<th>Program</th>
<th>Estimated Units</th>
<th>Estimated Leveraging</th>
</tr>
</thead>
<tbody>
<tr>
<td>A&amp;D/ RHDA</td>
<td>17</td>
<td>$769,600</td>
</tr>
<tr>
<td>DPA</td>
<td>15</td>
<td>$1,800,000</td>
</tr>
<tr>
<td><strong>Total Housing Federal Programs</strong></td>
<td><strong>Total</strong></td>
<td><strong>$2,569,600</strong></td>
</tr>
</tbody>
</table>
HOME INVESTMENT PARTNERSHIP PROGRAM MATCHING FUNDS

The U.S. Department of Housing and Urban Development (HUD) requires that the Participating Jurisdictions (PJs) that receive HOME funds match .25 cents of every dollar. The matching requirement mobilizes community resources in support of affordable housing. Exhibit 2.4 calculates the total required contribution of matching funds from the City of Austin for FY 2012-13 funding.

Exhibit 2.4: HOME Match

<table>
<thead>
<tr>
<th>Calculation</th>
<th>FY 2012-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant Allocation</td>
<td>$2,429,177</td>
</tr>
<tr>
<td>Administration</td>
<td>$242,918</td>
</tr>
<tr>
<td>Amount Incurring Repayment</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Total Match Obligation</strong></td>
<td><strong>$2,672,095</strong></td>
</tr>
</tbody>
</table>

25% Matching Requirement Percentage

| Match Requirement                 | $668,023   |

Sources

<table>
<thead>
<tr>
<th>Sources</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Federal Matching Funds</td>
<td>$501,017</td>
</tr>
<tr>
<td>Bond Proceeds (25% Max.)</td>
<td>$167,006</td>
</tr>
<tr>
<td><strong>Total Sources of Match</strong></td>
<td><strong>$668,023</strong></td>
</tr>
</tbody>
</table>
Housing Tax Credits
The Texas Department of Housing and Community Affairs (TDHCA) administers the Housing Tax Credit (HTC) Program for the State of Texas. The HTC Program provides a valuable affordable housing resource to the Austin community. The HTC Program receives authority from the U.S. Department of Treasury to provide tax credits to investors that ultimately assist housing developers with the equity that will result in affordable housing. The program's purpose is to:

- Encourage the development and preservation of rental housing for low-income families,
- Provide for the participation of for-profit and non-profit organizations in the program,
- Maximize the number of units added to the state's housing supply, and
- Prevent losses in the state's supply of affordable housing.

HTC is allocated annually in 13 state service regions and each service region is further distributed into rural and urban categories. The City of Austin resides in Region 7. Projects that apply for tax credits in Austin compete against other applications in the urban area of Region 7. Region 7 includes: Llano, Burnet, Blanco, Travis, Williamson, Hays, Caldwell, Bastrop, Lee, and Fayette counties. For more about TDHCA’s Housing Tax Credit process, visit www.tdhca.state.tx.us.

Multi-Family Bond Program
The Austin Housing Finance Corporation (AHFC) administers the Multi-family Bond Program that provides below-market interest rate financing for the acquisition and rehabilitation or the new construction of apartment communities. Funding is provided through the sale and issuance of tax-exempt multifamily conduit bonds, which provide the equity investment for a potential affordable housing development. Federal law requires in part that for the bonds to retain tax-exempt status, at least 20 percent of the units financed must be leased to households earning at or below 50 percent of MFI; or 40 percent of the units must be leased to households earning incomes at or below 60 percent of MFI.

Private developers have two options when applying for bonds through AHFC. The first option is to apply for Private Activity Bonds, which are combined with four percent Housing Tax Credits issued by the Texas Department of Housing and Community Affairs. The Texas Bond Review Board determines the schedule by which these Private Activity Bonds are allocated. The second option is to apply for bonds without the need for private activity bond authority or the use of Housing Tax Credits. Those bonds are 501(c)3 bonds and are also awarded throughout the year. AHFC manages the application process to secure these funds.
EMERGENCY SOLUTIONS GRANT FY 2011-2013 ALLOCATION – SUBSTANTIAL AMENDMENT

The Emergency Solutions Grant (ESG) Program requires each local government grantee to match dollar-for-dollar the ESG funding provided by the U.S. Department of Housing and Urban Development (HUD). These matching funds must come from other public or private sources.

For the second allocation of the FY 2011-13 allocation, the City of Austin’s ESG Grant Allocation is $185,896; thus another $185,896 is needed from the City and the sub-recipients/contractors for matching funds.

Any of the following may be included in calculating the matching funds requirement: 1) cash; 2) the value or fair rental value of any donated material or building; 3) the value of any lease on a building; 4) any salary paid to staff to carry out the program of the recipient; and 5) the value of the time and services contributed by volunteers to carry out the program of the recipient at a current rate of five dollars per hour.

Exhibit 2.5: ESG Match FY 2011-13 Second Allocation

<table>
<thead>
<tr>
<th>IDIS Activity</th>
<th>Con Plan Priority</th>
<th>Funding Source</th>
<th>Estimated Carry Forward</th>
<th>FY 2011-12 Projected Funding</th>
<th>Match</th>
<th>Proposed Accomplishments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Downtown Community Court Rapid Rehousing Program</td>
<td>High</td>
<td>ESG</td>
<td>NEW</td>
<td>$132,218</td>
<td>$132,218</td>
<td>72 people</td>
</tr>
<tr>
<td>Downtown Community Court Homeless Management Information System</td>
<td>High</td>
<td>ESG</td>
<td>NEW</td>
<td>$3,000</td>
<td>$3,400</td>
<td>N/A</td>
</tr>
<tr>
<td>ARCH Homeless Management Information System</td>
<td>High</td>
<td>ESG</td>
<td>NEW</td>
<td>$28,472</td>
<td>$28,472</td>
<td>N/A</td>
</tr>
<tr>
<td>Grant Administration Costs</td>
<td>N/A</td>
<td>ESG</td>
<td>0</td>
<td>$22,206</td>
<td>$22,206</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total Match</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$185,896</strong></td>
<td><strong>$186,296</strong></td>
<td>72 people</td>
</tr>
</tbody>
</table>
City of Austin Fiscal Year 2012-13 Action Plan  
Chapter 2 Funding and Resources

EMERGENCY SOLUTIONS GRANT FY 2012-14 ALLOCATION

For the ESG FY 2012-14 allocation in FY 2012-2013, the City of Austin’s ESG Grant Allocation is projected to be $595,612; thus another $595,612 is needed from the City and the sub-recipients/contractors for matching funds.

Exhibit 2.6: ESG Match FY 2012-14

<table>
<thead>
<tr>
<th>IDIS Activity</th>
<th>Con Plan Priority</th>
<th>Funding Source</th>
<th>Estimated Carry Forward</th>
<th>FY 2011-12 Projected Funding</th>
<th>Match</th>
<th>Proposed Accomplishments</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARCH Shelter Operation and Maintenance</td>
<td>High</td>
<td>ESG</td>
<td>0</td>
<td>$313,922</td>
<td>$313,922</td>
<td>8,500 people</td>
</tr>
<tr>
<td>Communicable Disease Unit Rapid Rehousing Program</td>
<td>High</td>
<td>ESG</td>
<td>0</td>
<td>$65,912</td>
<td>$65,912</td>
<td>40 people</td>
</tr>
<tr>
<td>ARCH Homeless Management Information System</td>
<td>High</td>
<td>ESG</td>
<td>0</td>
<td>$5,272</td>
<td>$5,272</td>
<td>N/A</td>
</tr>
<tr>
<td>Agency TBD Rapid Rehousing Housing Relocation and Stabilization Program</td>
<td>High</td>
<td>ESG</td>
<td>0</td>
<td>$165,835</td>
<td>$165,835</td>
<td>100 people</td>
</tr>
<tr>
<td>Grant Administration Costs</td>
<td>N/A</td>
<td>ESG</td>
<td>0</td>
<td>$44,671</td>
<td>$44,671</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Total Match</strong></td>
<td><strong>$595,612</strong></td>
<td><strong>$595,612</strong></td>
<td><strong>8,640 people</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For FY 2012-13 (ESG FY 2011-13 second allocation and FY 2012-14 allocation) HHSD, local providers of homeless services and the Ending Community Homelessness (ECHO) Coalition are working to coordinate funding from several sources to make the most efficient and effective use of all the funds across the entire continuum of homeless services. HHSD plans to allocate ESG funds to shelter operations and maintenance, Rapid Rehousing Housing Relocation and Stabilization services and direct financial assistance, Homeless Management Information System improvement, and ESG grant administration. Each contract/award agreement includes the requirement that subcontractors/awardees will provide a one-to-one match of the ESG funds. The City will match administrative costs using an in-kind match of salaries of City personnel who administer the grant.
Housing Choice Voucher Program
In the City of Austin, two public housing authorities administer the Housing Choice Voucher Programs (previously Section 8): the Housing Authority of the City of Austin (HACA) and the Housing Authority of Travis County (HATC). The Housing Choice Voucher Program is designed to increase the housing choices available to very low-income households by making privately-owned rental housing affordable. The tenant usually pays no more than 30 percent of their monthly adjusted income for rent. The Housing Choice Program provides a subsidy between what the tenant can pay and the HUD-approved fair market rent or the payment standard established by the local public housing authority. HACA provides more than 5,000 Housing Choice Vouchers city-wide, provides housing assistance to over 18,000 Austinites, and maintains 19 public housing communities. HATC has 564 Housing Choice Vouchers, with approximately 800 individuals and families on a waiting list to receive a voucher.

McKinney-Vento Homeless Assistance Programs
The U.S. Department of Housing and Urban Development (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. With the adoption of the CoC process, HUD bundled three homelessness programs (Supportive Housing Program, Single Room Occupancy and Shelter Plus Care Program) into one funding stream. Unlike other HUD funding allocated to the City of Austin, funding from HUD’s Notice of Funding Availability (NOFA) for Continuum of Care Homeless Assistance Program is allocated directly to local homeless services agencies that participate in the CoC application.

The Ending Community Homelessness Coalition (ECHO) serves as the lead planning entity on homeless issues in Austin/Travis County. As part of this responsibility, ECHO coordinates Austin’s CoC application to HUD. ECHO’s CoC Workgroup leads the planning and writing activities for the annual CoC application, while ECHO’s Data Workgroup oversees data collection and analysis to support the application. Upon notice of any new CoC funding, ECHO publishes a Request for Proposal (RFP) consistent with HUD and community priorities. Agencies wishing to apply for the new CoC funding submit local applications to ECHO. ECHO’s Independent Review Team ranks the local applications based on criteria outlined in the RFP and then shares this information with the ECHO Membership Council and Board of Director’s. The chosen project(s) is then included with the CoC application that is submitted to HUD.

The application must include a certification that all proposed projects are consistent with the City’s Consolidated Plan. The terms of CoC funding vary; new projects are typically funded for two or three years, but last year, the new project was funded for just one year, requiring renewal almost immediately. Typically, renewal projects are renewed on an annual basis. ECHO’s goal is to ensure that Austin submits a competitive national application while also leading a credible local process that meets community needs. The committee meets these goals by conducting the following activities: a) identifying methods for communicating to interested parties how to become involved; b) determining what types of project categories will be prioritized; c) developing the local application process, including evaluation criteria and submission.
requirements; d) site visits and e) identifying which entities will be represented on the Independent Review Team.

In 2011 HUD awarded $4,712,773 to 19 local programs from the 2011 competition. In 2012, the base renewal amount is $5,178,895 and may increase if HUD identifies new funding. Since 2001, Austin has received $44,666,522 in CoC funding, with annual allocations reflected in Exhibit 2.7.

Exhibit 2.7: Continuum of Care (CoC) Application Awards

<table>
<thead>
<tr>
<th>Year</th>
<th>CoC Application Amount Awarded</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>$4,042,683</td>
</tr>
<tr>
<td>2002</td>
<td>$2,663,713</td>
</tr>
<tr>
<td>2003</td>
<td>$4,264,953</td>
</tr>
<tr>
<td>2004</td>
<td>$4,312,914</td>
</tr>
<tr>
<td>2005</td>
<td>$3,876,245</td>
</tr>
<tr>
<td>2006</td>
<td>$3,406,067</td>
</tr>
<tr>
<td>2007</td>
<td>$3,741,917</td>
</tr>
<tr>
<td>2008</td>
<td>$5,085,813</td>
</tr>
<tr>
<td>2009</td>
<td>$4,205,301</td>
</tr>
<tr>
<td>2010</td>
<td>$4,354,143</td>
</tr>
<tr>
<td>2011</td>
<td>$4,712,773</td>
</tr>
</tbody>
</table>

*This column reflects only what was applied for that year, and does not include multi-year contracts from previous years that were not up for renewal.

For the 2009-2011 CoC competitions, ECHO kept the community priorities consistent in order to increase the housing-to-services ratio and maximize potential available funding for permanent supportive housing. ECHO adopted the following funding priorities for the 2011 Continuum of Care process:

- **Priority One**: Permanent Supportive Housing that has a strong emphasis on housing (2010 80 percent housing and 20 percent services ratio with more points for higher ratios) for persons who qualify as chronically homeless and/or are veterans.
- **Priority Two**: Permanent Supportive Housing with a strong emphasis towards creating housing units as recommended by the 2010 CSH financial modeling report. The report is available here: www.caction.org/homeless/documents/AustinModelPresentation.pdf
- **Priority Three**: Homeless Management Information System (HMIS) Expansion: Because a strong HMIS system is critical to support the overall Continuum of Care, Final Pro-Rata Need funding can be used to support expansion and improvement of the HMIS system.

Consistent with HUD priorities, a local emphasis was placed on: expending all resources available; acquisition, construction, or renovation; and leveraging resources.
### Exhibit 2.8: FY 2012-13 CoC Funding from 2011 CoC Application

<table>
<thead>
<tr>
<th>Term</th>
<th>Name of the applicant</th>
<th>Name of the project/purpose</th>
<th># of Units</th>
<th>Amount Awarded</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Year</td>
<td>Caritas of Austin in collaboration with Foundation Communities &amp; Front Steps</td>
<td>PSH Program: Focus on ARCH/Front Steps clients. Caritas provides case management, housing at Arbor Terrace or other Foundation Community site.</td>
<td>40</td>
<td>$414,451</td>
</tr>
<tr>
<td>1 Year</td>
<td>ATCIC</td>
<td>HMIS - Project Manager &amp; Bowman support</td>
<td>0</td>
<td>$78,533</td>
</tr>
<tr>
<td>1 Year</td>
<td>ATCIC</td>
<td>HMIS - Trainer</td>
<td>0</td>
<td>$40,000</td>
</tr>
<tr>
<td>1 Year</td>
<td>ATCIC</td>
<td>HMIS - Contract Research Analyst</td>
<td>0</td>
<td>$28,893</td>
</tr>
<tr>
<td>1 Year</td>
<td>Caritas of Austin</td>
<td>My Home: PSH primarily for people who have a disabling condition.</td>
<td>32</td>
<td>$303,712</td>
</tr>
<tr>
<td>1 Year</td>
<td>Caritas of Austin</td>
<td>PSH project funded for leasing units at Foundation Communities' Spring Terrace.</td>
<td>20</td>
<td>$196,492</td>
</tr>
<tr>
<td>1 Year</td>
<td>Front Steps</td>
<td>PSH Program for leasing units at Foundation Communities' Garden Terrace; for persons who are chronically homeless.</td>
<td>10</td>
<td>$94,668</td>
</tr>
<tr>
<td>1 Year</td>
<td>Front Steps</td>
<td>Home Front: 100 percent focus on chronically homeless - housing first, scattered site approach.</td>
<td>6</td>
<td>$60,174</td>
</tr>
<tr>
<td>1 Year</td>
<td>Front Steps</td>
<td>Samaritan: 100 percent focus on chronically homeless - housing first, scattered site approach.</td>
<td>20</td>
<td>$198,885</td>
</tr>
<tr>
<td>1 Year</td>
<td>Community Partnership for the Homeless: DBA: Green Doors</td>
<td>PSH at Glen Oaks Corner for homeless single head-of-household parents, with a disability, and their children</td>
<td>6</td>
<td>$65,985</td>
</tr>
<tr>
<td>1 Year</td>
<td>Caritas of Austin</td>
<td>My Home II</td>
<td>21</td>
<td>$198,885</td>
</tr>
<tr>
<td>1 Year</td>
<td>Travis County Domestic Violence &amp; Sexual Assault Survival Center DBA: SafePlace</td>
<td>SafePlace Supportive Housing Program; transitional housing for families who are survivors of domestic violence.</td>
<td>40</td>
<td>$613,002</td>
</tr>
<tr>
<td>1 Year</td>
<td>Youth and Family Alliance: DBA: LifeWorks</td>
<td>Supportive Housing; transitional housing for homeless youth.</td>
<td>15</td>
<td>$212,969</td>
</tr>
<tr>
<td>1 Year</td>
<td>The Salvation Army</td>
<td>Passages Program; a six-agency collaboration providing comprehensive, long term case management for all homeless populations; CoC pays for case management, HOME TBRA pays for housing.</td>
<td>0</td>
<td>$538,081</td>
</tr>
<tr>
<td>1 Year</td>
<td>ATCIC</td>
<td>Safe Haven; transitional housing and support services for people with severe mental illness who are homeless</td>
<td>16</td>
<td>$348,007</td>
</tr>
<tr>
<td>1 Year</td>
<td>HACA, ATCIC (renewal)</td>
<td>Shelter + care; permanent supportive housing for homeless persons with mental illness</td>
<td>18</td>
<td>$179,112</td>
</tr>
<tr>
<td>1 Year</td>
<td>HACA and ATCIC (renewal)</td>
<td>Shelter Plus Care-Renewal; permanent housing program for homeless persons with mental illness</td>
<td>54</td>
<td>$547,392</td>
</tr>
<tr>
<td>1 Year</td>
<td>HACA and ATCIC (renewal)</td>
<td>Shelter Plus Care-Renewal; permanent housing program for homeless persons with mental illness</td>
<td>20</td>
<td>$198,096</td>
</tr>
<tr>
<td>1 Year</td>
<td>Housing Authority of the City of Austin, ATCIC, AIDS Services of Austin (renewal)</td>
<td>Shelter Plus Care-Renewal; permanent supportive housing for homeless persons with mental illness and/or HIV/AIDS</td>
<td>35</td>
<td>$361,116</td>
</tr>
</tbody>
</table>

**Total** | **353** | **$4,678,453** |
Exhibit 2.9 represents multi-year projects that have received Continuum of Care (CoC) funding and will remain active in FY 2011-12.

### Exhibit 2.9: CoC Funding remaining active in FY 2011-12

<table>
<thead>
<tr>
<th>Type of Project</th>
<th>Length of Contract Term</th>
<th>Year Contract Awarded</th>
<th>Name of Organization</th>
<th>Project Description</th>
<th>Project Amount Awarded</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rapid Re-Housing</strong></td>
<td>3 years</td>
<td>2008</td>
<td>The Salvation Army</td>
<td>Rapid Rehousing: Assist families experiencing homelessness with dependent children to transition to permanent housing. Targets families experiencing homelessness residing in local shelters. Leases apartments at Foundation Communities sites</td>
<td>$795,540</td>
</tr>
<tr>
<td><strong>New SHP w/ 85% Housing</strong></td>
<td>5 years</td>
<td>2008</td>
<td>HACA/Foundation Communities</td>
<td>Shelter + care; 10 units of permanent supportive housing leased at Foundation Communities' Trails at the Park &amp; Vintage Creek; for families who have an adult with a disability</td>
<td>$508,080</td>
</tr>
<tr>
<td><strong>Section 8 Moderate Rehabilitation</strong></td>
<td>10 years</td>
<td>2002</td>
<td>HACA/Foundation Communities</td>
<td>Permanent Housing at Garden Terrace 50 units of Single Room Occupancy facility for persons experiencing homelessness.</td>
<td>$2,976,000</td>
</tr>
<tr>
<td><strong>Samaritan Bonus Permanent Supportive Housing</strong></td>
<td>2 years</td>
<td>2010</td>
<td>Front Steps, Inc.</td>
<td>Home Front Samaritan: Permanent Supportive Housing Program: 100 percent Focus on Persons experiencing Chronic Homelessness. Housing First, scattered site approach.</td>
<td>Two awards: $397,770 and $120,349 Total: $518,119</td>
</tr>
<tr>
<td><strong>New SHP for HMIS Expansion</strong></td>
<td>2 years</td>
<td>2010</td>
<td>Austin Travis County Integral Care HMIS Expansion</td>
<td>Expand HMIS (Homeless Management Information System); consolidated client database required by HUD for all HUD-funded programs</td>
<td>$80,001</td>
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Federal Objectives
FEDERAL OBJECTIVES

Federal regulations require that Participating Jurisdictions (PJs) include in their annual Action Plans how they will use HUD grant funds in conjunction with other HUD funding and local resources in order to improve the lives of low- and moderate-income households. Federally mandated guidelines are outlined below, along with a brief description of a best practice or an initiative underway or planned to begin in FY 2012-13 to meet the specific directive:

*Federal Guideline* - Describe other Actions in Strategic or Action Plan taken to: Address obstacles to meet underserved needs.

FY 2009-14 Consolidated Plan

The City of Austin’s Neighborhood Housing and Community Development (NHCD) Office launched the Investment Plan in FY 2009-10. This framework offers an array of housing, small business development programs and public services under seven priority categories which serve very-low, low-, and moderate-income households, meeting the definition of addressing obstacles to meet underserved needs.

- Homeless/Special Needs Assistance,
- Renter Assistance,
- Homebuyer Assistance,
- Homeowner Assistance,
- Housing Developer Assistance,
- Commercial Revitalization, and
- Small Business Assistance.

For the FY 2012-13, NHCD will include Financial Empowerment as a new priority category on its FY 2012-13 Program Investment Plan. NHCD will utilize new funding to provide Individual Development Accounts (IDA) designed to assist low-income individuals and families to move towards asset ownership. The IDA Program will be an activity under the Financial Empowerment priority category. For more information on Financial Empowerment, visit Chapter 4, page 4-36.
Homeless/Special Needs Assistance

Persons experiencing homelessness or with special needs are Austin’s most vulnerable populations and therefore are a high priority for the Consolidated Plan. This decision was made based on feedback from the public process, including stakeholder meetings that included homeless and special needs providers, public hearings, and a Consolidated Plan survey.

Objective 1: Assist persons experiencing homelessness or who are at risk of becoming homeless.

Strategy 1.1: Help low-income households avoid homelessness.

Strategy 1.2: Develop permanent and transitional housing for households earning at or below 30 percent of the Median Family Income (MFI).

Strategy 1.3: Provide financial support to organizations that work with persons experiencing homelessness and persons that are at risk of becoming homeless, including providing rental assistance under the Tenant Based Rental Assistance (TBRA) Program.

Strategy 1.4: Support Homeless Management Information System (HMIS) data entry, technology implementation and communications for enhanced coordination.

Objective 2: Assist persons living with HIV/AIDS to achieve stable housing and increase access to medical care and supportive services.

Strategy 2.1: Increase the number of homeless persons living with HIV/AIDS who move into permanent housing through the provision of supportive services and permanent housing placement assistance.

Strategy 2.2: Increase the number of persons living with HIV/AIDS who access HIV medical care by providing housing assistance and supportive services.

Strategy 2.3: Provide TBRA and supportive services to persons living with HIV/AIDS and their families to prevent homelessness.

Strategy 2.4: Provide short-term rent, mortgage, and utility assistance to help maintain stable housing for persons living with HIV/AIDS and their families who are experiencing a financial crisis and the potential loss of permanent housing.
Strategy 2.5: Prevent homelessness among persons living with HIV/AIDS by providing temporary shelter and developing individualized housing and service plans for clients which links them to permanent housing.

Objective 3: Assist low-income and special needs populations with supportive services to increase self-sufficiency.

Strategy 3.1: Increase the supply of quality child care for families that make less than 200 percent of the Federal Poverty Guidelines.

Strategy 3.2: Assist low-income seniors to maintain independent living through home care services and provide guardianship and elder shelter programs to prevent and protect seniors from becoming victims of abuse, neglect, or exploitation.

Strategy 3.3: Assist at-risk youth and their families through wrap-around services that focus on basic needs, mental health services, educational support and social enrichment.
**Chapter 3: Federal Objectives**

**Renter Assistance**

The City of Austin’s 2009 Comprehensive Housing Market Study identifies the high need for affordable rental housing in Austin. This analysis was echoed in every aspect of the public input process from service providers, government partners, policymakers, and community members. Renter assistance is a high priority in the Consolidated Plan.

**Objective 1: Provide tenant-based rental assistance, utility and security deposits to persons experiencing homelessness and low-income households who earn less than 50 percent of MFI.**

*Strategy 1.1:* Provide tenant-based rental assistance for the purpose of transitioning homeless households out of emergency shelter and into permanent housing.

*Strategy 1.2:* Expand the tenant-based rental assistance program to serve low-income households that earn at or below 50 percent of MFI.

**Objective 2: Retrofit or modify the rental units of low-income households and renters who are severely disabled to make their homes more accessible.**

*Strategy 2.1:* Provide renter households that earn at or below 80 percent of MFI with the necessary physical improvements to their housing to assist with daily living.

**Objective 3: Provide support services that educate renters and promote housing rights.**

*Strategy 3.1:* Provide funding for mediation services between landlords and low-income renters that result in necessary health and safety repairs to rental units.

*Strategy 3.2:* Provide funding for direct counseling and technical assistance to low-income renters regarding tenant/landlord issues.

*Strategy 3.3:* Provide funding for public education and information to the public regarding fair housing and tenant/landlord issues.
Homebuyer Assistance
The City identified assistance to homebuyers as a high priority in the Consolidated Plan. The housing market analysis illustrates the difficulty for low- to moderate-income households to transition from renting to buying a home with the rising real estate market in Austin. The public process also highlighted the need for financial literacy for new and current homebuyers to have the necessary tools to stay in their homes.

Objective 1: Expand the resources available for low- to moderate-income renters wanting to become homeowners through downpayment assistance.

Strategy 1.1: Provide downpayment assistance to first-time homebuyers earning at or below 80 percent of MFI to increase and preserve the number of homeowner households in Austin.

Strategy 1.2: Explore and utilize tools to preserve long-term affordability, including shared-equity and community land trusts.

Strategy 1.3: Coordinate with and train local lenders regarding first-time homebuyer programs available to low- and moderate-income households.

Objective 2: Provide homeownership, financial literacy, and foreclosure prevention counseling to low- and moderate-income households.

Strategy 2.1: Provide homeownership counseling to low- to moderate-income households to ensure households have the knowledge to become successful homeowners.

Strategy 2.2: Partner with existing agencies to continue to provide homeownership counseling in Spanish.

Strategy 2.3: Provide post-purchase education to homeowners at risk of losing their homes.

Strategy 2.4: Expand current program to provide foreclosure prevention counseling to households in mortgage default.
City of Austin Fiscal Year 2012-13 Action Plan
Chapter 3: Federal Objectives

Homeowner Assistance
Preserving the safety and livability of the housing of low-income homeowners, allowing owners to stay in their homes, improving the City’s aging housing stock, and repairing the lives of existing homeowners were highlighted as high priority needs by stakeholders and community members. Homeowner assistance is a high priority in the Consolidated Plan.

Objective 1: Assist low- and moderate-income homeowners with necessary home repairs to make their homes safe, habitable, and accessible.

Strategy 1.1: Retrofit or modify the homeowner units of low- and moderate-income households earning at or below 80 percent of MFI to make their home more accessible.

Strategy 1.2: Make necessary emergency home repairs to alleviate life-threatening living conditions and health and safety hazards for households earning at or below 80 percent of MFI.

Strategy 1.3: Rehabilitate or reconstruct homes of households earning at or below 80 percent of MFI in need of substantial repairs, such as foundation repair, roofing, plumbing, and electrical repair.

Strategy 1.4: Fund local non-profit organizations to cover the cost of materials used to repair the homes of low-income households earning at or below 80 percent of MFI.

Strategy 1.5: Continue to fund necessary repairs to income-eligible households in the Holly neighborhood.

Objective 2: Provide lead hazard reduction services to eligible low-income rental and ownership households.

Strategy 2.1: Continue to provide lead services to households earning at or below 80 percent of MFI.

Strategy 2.2: The Lead Hazard Control Grant targets homes built prior to 1978 with children under the age of six.
Housing Developer Assistance
The need for affordable housing for low-to-moderate income renters, including special needs populations and homebuyers was reflected in the housing market analysis and public input received from the community. The City’s main tool to create affordable housing is through financing to non-profit and for-profit developers. In addition, the City encourages the development of affordable housing through developer incentives. The City therefore, makes Housing Developer Assistance a high priority for the Consolidated Plan.

Objective 1: Create and retain affordable rental units for low-income households, including households with special needs.

Strategy 1.1: Provide below market rate financing to non-profit and for-profit developers for the acquisition, rehabilitation, or new construction of affordable rental projects. These projects are for households earning at or below 50 percent of MFI.

Strategy 1.2: Provide financing to non-profit partners to develop permanent and transitional housing for households earning at or below 30 percent of MFI and households experiencing homelessness.

Strategy 1.3: Assist in the preservation of market rate and federally subsidized affordable rental units at risk of losing affordability by providing financing for non-profit and for-profit developers.

Objective 2: Create new homeownership opportunities for low- and moderate-income households earning at or below 80 percent of MFI.

Strategy 2.1: Work with non-profit Community Housing Developer Organizations (CHDOs) and for-profit developers to leverage local and federal funds in order to acquire land, rehabilitate existing housing, and construct new housing to sell to low- and moderate-income households.

Strategy 2.2: Assist in the preservation of affordable homeownership through the expansion of long-term affordability tools, including shared equity and community land trust.

Strategy 2.3: Continue, through program design and marketing to expand homeownership opportunities for low- and moderate-income families.

Objective 3: Encourage development of affordable rental and homebuyer housing through developer incentives.
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Strategy 3.1: Coordinate with City planning efforts to expand affordable housing incentives for developers throughout the City.

Strategy 3.2: Promote current affordable housing developer incentives including: S.M.A.R.T. Housing™, Vertical Mixed Use (VMU), Downtown Density Bonus, North Burnet/Gateway, University Neighborhood Overlay (UNO), Transit Oriented Development (TODs), the Robert Mueller Airport Redevelopment, and other mechanisms.

Strategy 3.3: Encourage density in order to increase affordability in efforts that will also leverage infrastructure costs, promote housing choice of location and styles, provide walk-able neighborhoods, expand transportation choices, support community development, and protect the environment.

Strategy 3.4: Continue to explore implementation of additional developer incentives including: expedited review and approvals, expanded fee waivers, and enhanced development entitlements.

Objective 4: Continue to assist and support Community Development Housing Organizations (CHDOs).

Strategy 4.1: Provide financial operating support to City certified CHDOs.

Strategy 4.2: Enhance the capacity to develop sustainable projects through training and support.
Commercial Revitalization

Commercial Revitalization is a high priority for the City of Austin based on the feedback received at public hearings and the Consolidated Plan survey.

Objective 1: Provide funding and technical assistance to eligible organizations in order to improve the economic viability of neighborhoods and promote the creation of jobs.

Strategy 1.1: Promote public and private partnerships with businesses, financial institutions, and non-profit communities to spur quality investment, commercial development, and job creation throughout the East 11th and 12th Street Corridors.

Strategy 1.2: Continue to partner with the Urban Renewal Agency to achieve the revitalization goals of the East 11th and 12th Street Corridors.

Strategy 1.3: Conduct activities such as land acquisition, demolition of dilapidated structures, redevelopment of abandoned and/or substandard structures, improvement of infrastructure, construction of new mixed-use facilities, and gap financing to existing small businesses for the purpose of job creation to achieve the goals of the East 11th and 12th Street Corridors.
Small Business Assistance

Recognizing that small businesses are important drivers of the Austin economy, assistance to small businesses is a high priority for the City of Austin. Feedback from the Consolidated Plan survey identified job creation as the highest community development need.

Objective 1: Help small businesses grow and prosper through financing and technical assistance in order to improve the economic viability of neighborhoods and promote the creation and/or retention of jobs.

Strategy 1.1: Provide gap financing and technical assistance to small businesses to expand their businesses for the purpose of creation or retention of low- and moderate-income jobs.

Strategy 1.2: Fund a Community Development Bank to provide loans to small and minority businesses that are expanding or relocating to low-income areas for the creation of or retention of low- and moderate-income jobs.

Strategy 1.3: Provide training and technical assistance to qualified microenterprises (HUD defines a microenterprise as a business with five or fewer employees).

Strategy 1.4: Fund the Family Business Loan Program (FBLP) to foster small business expansions and create low- to moderate-income jobs. FBLP will make low-interest fixed asset and working capital loans to qualified Austin small business owners who are ready to expand their business and create jobs.
The City’s FY 2009-14 Consolidated Plan identified special populations that are disproportionately more likely to be living in poverty and are more likely than the general population to encounter difficulties finding and paying for adequate housing, and often require enhanced community services. These special populations include:

- elderly and frail elderly;
- persons with physical disabilities;
- persons with developmental disabilities;
- persons with severe mental illness;
- persons with substance abuse problems;
- persons living with HIV/AIDS;
- at-risk children and youth;
- victims of domestic violence;
- persons experiencing homelessness and risk of homelessness;
- residents living in Public Housing Authority;
- households with children in need of lead-based paint remediation; and
- person returning to the community from correctional institutions and/or with criminal histories.

During the community needs assessment period, the City received community feedback at public hearings, Boards and Commission’s meetings, community conversations/forums, and through hardcopy and online surveys about critical needs facing the Austin community. Feedback received indicated the continued need for the specific programs and services targeting the abovementioned populations. Programs and services that serve these special populations will remain a priority in FY 2012-13.

**Activities Targeted to Address Obstacles to Meet Underserved Needs**

The following Investment Plan activities highlighted are specifically focused on addressing obstacles to meet underserved needs:

**Tenant-Based Rental Assistance (TBRA)**

The Tenant-Based Rental Assistance (TBRA) program provides rental housing subsidies and security deposits to eligible families who may otherwise be homeless. AHFC oversees the contracts with the TBRA subrecipients. The Community Action Network’s “2012 Community Dashboard” determined that 41 percent of households in Travis County are cost-burdened, meaning more than 30 percent of their monthly income is needed for rent or mortgage payments and utilities. Renters are much more likely to be housing cost-burdened than owners. In Travis County, 54 percent of renters are cost-burdened compared to the 29 percent of homeowners.¹

¹ U.S. Census Bureau, American Community Survey 5-Year Estimates, 2009 URL: http://www.census.gov/acs/www/
Architectural Barrier Program – Rental/Owner (Accessibility Modifications)
The Architectural Barrier Removal (ABR) Program modifies the homes of seniors and persons with disabilities who have limited income and accessibility needs. These accessibility modifications help persons with disabilities remain in their homes longer and live with a greater degree of independence. All services are free to eligible persons. ABR Program services include: wheelchair ramps, handrails, door widening, buzzing or flashing devices (for people with visual/hearing impairment), accessible door and faucets handles, shower grab bars and shower wands, and accessible showers, toilets and sinks.

The City will access funding through the Texas Department of Housing and Community Affairs (TDHCA) in FY 2012-13, to further its efforts in making accessibility modifications. In August 2011, TDHCA announced the availability of $4 million in funding from the Housing Trust Fund (HTF) for the Amy Young Barrier Removal Program through the agency’s Reservation System. This program provides one-time grants of up to $20,000 to persons with disabilities qualified as “low income” for home modifications necessary for accessibility and the elimination of hazardous conditions. Program recipients may be homeowners, a tenant/renter or a person with disabilities residing in the household.

Rental Housing Development Assistance (RHDA)/ Permanent Supportive Housing
The Austin City Council passed Resolution No. 20100325-053 on March 25, 2010, directing the City Manager to give priority to federal and local funding to permanent supportive housing (PSH), and to develop a comprehensive strategy for the construction and operation of 350 permanent supportive housing (PSH) units over a four year time period. On September 30, 2010, the City’s PSH strategy was presented to City Council. Implementation is underway to achieve the 350-unit goal.

PSH Unit Pipeline
In FY 2011-12, the City Council approved $7.2 million in General Obligation (G.O.) Bond funding for the creation and retention of affordable rental housing, of which $1.475 million was recommended to fund permanent supportive housing. Of those proposed, the following applicants have identified serving PSH sub-populations in the City’s Strategy.

- Green Doors, Pecan Springs Commons, Phase II, 11 PSH Units
- Green Doors, Pecan Springs Commons, Phase III, 12 PSH units
- Lifeworks, The Works at Pleasant Valley, 10 PSH units

East 11th and 12th Streets Revitalization
The East 11th and 12th Streets Revitalization Program focuses on redeveloping an area previously impacted by slum and blight to a sustained, improved and culturally rich area. The City of Austin and the Urban Renewal Agency have entered into a
long-term agreement that identifies the roles and responsibilities of the two parties. This revitalization combines federal, local and private resources to improve the economic well-being and quality of life in the neighborhood. Public and private partnerships with businesses, financial, and non-profit entities are key to spurring quality investment, commercial development, and job creation throughout the East 11th and 12th Street Corridors. The City achieves this revitalization through activities including, but not limited to, land acquisition, demolition of dilapidated structures, relocation of displaced individuals/businesses, preservation of historic structures, redevelopment of abandoned and/or substandard structures, improvement of infrastructure, construction of new mixed-used facilities, and new community parking facilities to assist the businesses in the area.

The City of Austin retained a consultant to define a development strategy for the East 11th and 12th Street Corridors. The consultant worked with the City and area stakeholders to prepare the strategy that responds to the considerable opportunities and challenges facing development within these two corridors. The East 11th and 12th Streets Development Strategy was finalized on March 1, 2012, and provides recommendations on how to advance the redevelopment vision by identifying pathways to its successful implementation in the following main areas: Development Regulations, Infrastructure, Retail, Commercial and Housing Development Opportunities and Disposition of Public Land. The City along with the Urban Renewal Agency are considering the strategy recommendations. NHCD will develop a workplan with advisement by Urban Renewal Board (URB) to address recommendations identified in the strategy.

The City of Austin broke ground on the African American Cultural and Heritage Facility (AACHF) located at 912 East 11th Street, on June 17, 2011. The project includes a restoration of the historic Dedrick-Hamilton House as well as new construction and will serve as the flagship for the newly created African American Cultural Heritage District.
**Federal Guideline** - Describe Other Actions in Strategic or Action Plan Taken to: Foster and maintain affordable housing.

**Expand Alternate Funding Sources**
NHCD continues to strategically seek opportunities to increase and expand funding sources in an effort to foster and maintain affordable housing. NHCD’s programs and services rely on federal and local funding sources to deliver many of the activities in response to community priorities. NHCD expects to allocate the remaining General Obligation (G.O.) Bond funds in FY 2011-12, which were dedicated to addressing the City’s affordable housing needs.

NHCD identified the “Demand for Services & Limited Funding” as a horizon issue for FY 2012-13. To address this horizon issue, NHCD will continue its pursuit of competitive and non-competitive, federal and state grant opportunities in an effort to increase its financial capacity to better address the needs of Austin’s low-income residents.

In addition, NHCD will continue to seek partnerships with City departments and other local entities to support core functions. In FY 2011-12, NHCD completed an agreement with the City’s water utility, Austin Water Utility (AWU), to administer the City’s water private lateral program, which provides grants to eligible homeowners to repair or replace private lateral lines that have been identified by AWU, to be defective.

For more information on grant opportunities NHCD anticipates in FY 2012-13, visit Chapter 4, page 4-21.

**Create and Retain Affordable Housing**
Through the City of Austin’s Acquisition and Development (A&D) and Rental Housing Development Assistance (RHDA) programs, NHCD has partnered with various lenders and non-profit and for-profit developers to increase and preserve the supply of affordable rental and homeownership opportunities that will benefit low- and moderate-income households. For more information about affordable housing projects planned or underway in FY 2012-13, visit page 3-30.

**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 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 organizational capacity. NHCD will continue to work closely and support CHDOs in FY 2012-13 to increase opportunities that will foster and maintain affordable housing.

**Home Repair Activities**

Home Repair activities are a high priority for the City of Austin. These activities make units more accessible by alleviating life-threatening living conditions and health and safety hazards for low- and moderate-income homeowners. NHCD administers the following home repair programs: Architectural Barrier Removal (ABR) – Rental and Owner, Emergency Home Repair (EHR), Homeowner Rehabilitation Loan Program (HRLP), G.O. Repair! Program, and Holly Good Neighbor Program. In addition, NHCD collaborates with Austin Energy (AE), Austin Water Utility (AWU) and the City’s Code Compliance department to offer comprehensive services promoting healthier homes.

As the City stated in its FY 2011-12 Action Plan, NHCD has met with key stakeholders and reviewed home repair activities to consider revising its programs and processes. As part of the FY 2011-12 efforts and for the FY 2012-13 Action Plan community needs assessment, NHCD hosted a community conversation/forum, “Healthy Homes & Home Repair,” to gather additional feedback on how NHCD can strengthen its home repair programs and services to create healthier homes for Austinites.

The Healthy Homes & Home Repairs community conversation brought together over 25 key stakeholders whose efforts are dedicated to providing critical home repair services to help keep residents’ homes hazard–free and accessible. As a result, these services create healthier homes and preserve the affordable housing stock in Austin. The dynamic conversation provided an opportunity for several participants to voice their unique perspectives and offer insight on how the City can enhance partnerships, create a more comprehensive approach in offering services to low-income residents and streamline referral processes to ensure a more prompt and efficient repair process.

Moving forward into FY 2012-13 and planning for upcoming 5-Year Consolidated Plan conversations, NHCD will continue to coordinate with stakeholders on home repair activities as a key area of focus for future discussions and assessments.

NHCD is currently reviewing the Holly Good Neighbor program and plans to hold a stakeholder meeting in September 2012 to discuss potentially revising program guidelines, processes and funding options.
Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Eliminate barriers to affordable housing.

Tenants’ Rights Assistance
The City continues to support the Tenants’ Rights Assistance program which provides 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 local agencies that help make strides in eliminating barriers to affordable housing and educating renters on fair housing choice.

NHCD staff worked with the Community Development Commission (CDC) Working Group to participate in the Affordable Housing Siting Policy Working Group whose charge is to review and recommend siting policy approaches that can promote geographic dispersion of affordable housing for the City of Austin. For more information about the Affordable Housing Siting Policy Interim Update, visit Appendix XIV. To view NHCD’s fair housing report, visit Chapter 5.

Down Payment Assistance
The Down Payment Assistance (DPA) program provides deferred payment 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 of MFI and is available in two options: Option 1) The amount of assistance per household will not exceed $14,999 per household. 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 five-year affordability period or before the maturity date. Option 2) DPA funds from $15,000 and up to $40,000, as a deferred payment, 30-year, and zero percent interest loan, with a shared-equity provision. The City of Austin has the “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 ten-year affordability period or before the maturity date. Eligible income for DPA is at or below 80 percent of MFI.

Housing Smarts – Housing Counseling
The Housing Smarts program offers housing counseling classes to residents who earn at or below of 80 percent of MFI. The counseling is offered in English and Spanish. The pre-purchase one-on-one counseling sessions will provide counseling to potential homebuyers to assist in the home buying process. Post-purchase
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counseling will assist current homeowners with maintaining homeownership, including necessary education regarding foreclosure prevention. The last component of Housing Smarts is the train-the-trainer scholarship offered to community non-profits that want to address housing financial literacy issues in their individual communities. Those completing all nine hours of instruction will receive a certificate of completion that satisfies the homebuyer education component for many local mortgage lenders.

NHCD has enhanced the curricula to include additional topics: credit for consumers, everyday budgeting, and how to get money when you need it. The course is also offered in all geographic areas across Austin.

In FY 2011-12, the City applied to become a HUD certified Housing Counseling Agency and anticipates applying for various funding sources specifically designated for certified agencies in FY 2012-13.

S.M.A.R.T. Housing™
The City Council adopted the S.M.A.R.T. Housing™ Ordinance in April 2000 to encourage 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.

The policy stipulates that all S.M.A.R.T. Housing™ certified single-family ownership units meet visitability standards reflected in the City’s Visitability Ordinance. All multi-family developments must comply with federal, state and local accessibility standards, and at least 10 percent of the multi-family housing units must be accessible. Developments that meet these and other prerequisites are given expedited review under the City’s development process and reductions waivers for certain development and construction fees. S.M.A.R.T. Housing™ provides a method to achieve neighborhood support for housing that serves low- and moderate-income residents by requiring applicants to meet with neighborhood organizations prior to filing an application for a zoning change. In addition, downtown developments may receive a density bonus without a zoning change by providing a percentage of affordable housing units or pay a fee-in-lieu to fund affordable housing in or near the downtown area.

Affordability Impact Statements
Chapter 25-1, Article 15 of the City of Austin’s S.M.A.R.T. Housing™ Ordinance requires an Affordability Impact Statement (AIS) on proposed ordinances, rules or processes that could impact housing affordability. As part of the S.M.A.R.T. Housing™ Ordinance, staff prepares an Affordability Impact Statement (AIS) for all proposed city code amendments, ordinances and other proposed changes to identify any potential impacts on housing affordability. This analysis ensures that
the City Council and the community are informed on an amendment’s potential impact on housing affordability. To date, the City of Austin has issued more than 150 Affordability Impact Statements (AIS).

**Geographic Dispersion**

The City supports providing affordable housing in areas outside of low-income neighborhoods; thereby reducing racial and ethnic segregation, deconcentrating poverty, and providing for more economic opportunities for low-income households. NHCD currently provides funding preference through a scoring matrix system to projects that assist in the dispersion of affordable housing stock throughout the community, to focus on areas in Austin where there is a shortage of affordable housing.

As a result of this focus, NHCD has achieved greater geographic dispersion in the units it has funded in recent years. The City of Austin has achieved significant geographic dispersion in the units funded through the City’s General Obligation (G.O.) Bond funding. At the time of this report, 2,431 total units have been created. This total also includes home rehabilitation. Out of the 2,431 units, 890 are located east of Interstate Highway (IH) 35 and 857 are located west of IH-35 – this does not include home rehabilitation units. The G.O. Bond funding has leveraged $189 million in private/public investment.

The Austin City Council passed a resolution on December 15, 2011, directing the City Manager to work with the Community Development Commission (CDC) and other stakeholders to research strategies of achieving geographic dispersion of affordable housing. The City Manager was charged with identifying additional strategies and practices for geographic dispersion of affordable housing, and the feasibility of implementing those strategies for the City of Austin. In response to this resolution, NHCD has conducted research of municipal affordable housing siting policies, and has worked closely with the Affordable Housing Siting Policy Working Group, formed by the CDC. The Working Group has assessed feasibility and developed a preliminary Affordable Housing Siting Policy Interim Update. To view the Affordable Housing Siting Policy Interim Update, view Appendix XIV.

FY 2012-13 projects are outlined in the NHCD Projects by Neighborhood Planning Area section, visit page 3-30.
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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
NHCD administers housing, community and economic development, as well as
public facility programs which require interdepartmental coordination. Several City
of Austin departments coordinate efforts to provide program services and projects
outlined in the annual Action Plan.

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 support to Austin residents
living with HIV/AIDS and their families through the use of HOPWA grant funds. HHSD
also provides assistance to help clients quickly regain stability in permanent
housing after experiencing a housing crisis and/or homelessness using Emergency
Solutions Grant (ESG) funds. HHSD and NHCD jointly administer several public
service programs. The Economic Growth and Redevelopment Services Office
(EGRSO) will foster small business expansions in low- and moderate-income
neighborhoods to stimulate job creation through the Family Business Loan Program
(FBLP). Numerous non-federally funded housing programs and activities offered by
NHCD rely on the coordination of other City departments including: Austin Energy,
Austin Water Utility, Budget Office, City Manager’s Office, Code Compliance
Department, Contract and Land Management Department, Government Relations,
HHSD, Law Department, Office of Sustainability, Parks and Recreation Department,
Planning and Development Review Department, Public Works, Solid Waste Services,
and Watershed Protection Review.

Below are initiatives and programs that require interdepartmental coordination and
will be underway in FY 2012-13:

Development Incentive Programs
The following regulating activities provide incentives for the inclusion of affordable
housing or community/economic development.
- East 11th & 12th Streets Revitalization,
- Coordination with Planning and Development Review (PDR) on the East
  Riverside Corridor Regulating Plan,
- Coordination with other City Departments on the Airport Boulevard
  redevelopment efforts, and
- Coordination with PDR on Imagine Austin Comprehensive Plan, Housing and
  Neighborhoods Priority Program and implementation.

Redevelopment of Publicly-Owned Land
- Colony Park Sustainable Communities Initiative,
- Coordination with EGRSO on the redevelopment of Rebekah Baines Johnson
  (RBJ) Center, and
- Municipal Utility Districts (MUDs) developer agreements among other
agreements noting affordable housing goals.

Home Repair and Other Initiatives
- Coordination with Austin Energy (AE) to administer the Holly Good Neighbor Program,
- Coordination with Austin Water Utility (AWU) to administer the private lateral Program,
- Collaboration with Code Compliance utilizing a referral system to identify and address homes needing substantial and costly repairs, and
- Coordination with Austin/Travis County Health and Human Services Department (HHSD), Ending Community Homelessness Coalition (ECHO) and other key agencies for the Permanent Supportive Housing (PSH) strategy.

Additional Coordination
NHCD will continue to work closely with the following organizations to overcome gaps and enhance coordination efforts: African American Resource Advisory Commission (AARAC), Community Development Commission (CDC), Community Action Network (CAN), Community Housing Development Organizations (CHDOs), Ending Community Homelessness Coalition (ECHO), Housing Authority of the City of Austin (HACA), Housing Authority of Travis County (HATC), HousingWorks, the Urban Renewal Agency as well as other key stakeholders and organizations. NHCD will also remain engaged with housing finance agencies, the National Association of Local Housing Finance Agencies (NALHFA) and the Texas Association of Local Housing Finance Agency (TAHLFA), to connect with other agencies whose missions address critical housing needs.

In FY 2012-13, NHCD will continue to participate in the Opportunity Mapping: 2012-13 Steering Committee, which is comprised of representatives from Ohio State University’s Kirwan Institute, City of Austin, Travis County, and local and regional planning agencies to determine key indicators the Kirwan Institute will utilize to update the current regional Opportunity Map. Opportunity mapping is a research tool used to understand the dynamics of “opportunity” within geographic areas. The purpose of opportunity mapping is to illustrate where opportunity-rich communities exist (and assess who has access to these communities) and to focus on areas of need in underserved or opportunity-poor communities. Key indicators include: areas with sustainable employment, high performing schools, access to high-quality healthcare, adequate transportation, quality child care, safe neighborhoods, and institutions that facilitate civic and political engagement. As NHCD moves forward in implementing a geographic dispersion/siting policy ensuring affordable housing in all parts of Austin, staff anticipates utilizing the Kirwan Opportunity Map to further the City’s housing and community development goals.
Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Improve public housing and resident initiatives.

The City of Austin boundaries are served by two Public Housing Authorities (PHAs), the Housing Authority of the City of Austin (HACA) and the Housing Authority of Travis County (HATC). The agencies are not departments of the City or County, respectively, but work independently of the City of Austin and Travis County. 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)

Created in 1937, the Housing Authority of the City of Austin (HACA) is a major provider of affordable housing for low-income families, disabled persons and seniors in the Austin area. HACA owns, operates and maintains 1,929 public housing units at 19 properties throughout Austin and administers more than 5,725 Housing Choice Vouchers through its regular voucher (5,253), Tenant Protection Voucher (3), Veterans Affairs Supportive Housing (270), Family Unification (85), Non-Elderly with Disabilities (36), Mainstream (59) and Hurricane Ike – Conversion programs. HACA’s Housing Choice Voucher department also administers three additional special voucher programs for homeless individuals and families. The Tenant Based Rental Assistance (TBRA), Single Room Occupancy (SRO) and Shelter Plus Care programs serve approximately 220 homeless individuals and families with disabilities with housing and supportive services. HACA continually seeks opportunities to participate in specialized voucher programs through the U.S. Department of Housing and Urban Development.

HACA continues to be successful in moving families toward self-sufficiency with 80 families who have become homeowners through its down payment assistance program. The program provides qualified families participating in the Public Housing or Housing Choice Voucher programs with a $10,000 forgivable loan to be applied towards the down payment on a new or existing home. If the applicant meets all program criteria for the first five years, then the loan is forgiven. Through its subsidiary, Austin Affordable Housing Corporation (AAHC), HACA’s Six Star program provides another alternative for those who are ready to move out of public housing, but have not met all the qualifications to purchase a home. The Six-Star program allows residents to reside at one of AAHC’s apartment homes at a rate lower than the fair market rental rate. The rent amount increases slightly over the course of the three year program, until the fair market rent is reached. The Six Star program allows participants to continue to learn financial management and work toward goals that will support sustainable economic and housing self-sufficiency.

HACA implements two programs designed to assist residents in achieving self-sufficiency. The Public Housing and Housing Choice Voucher Family Self-Sufficiency
(FSS) programs provide service coordination to residents and maintain and grow community partnerships that link individuals and families to necessary supports. Services that are coordinated include: life skills training; adult basic education and literacy services; workforce development/job training; job counseling and placement; financial literacy; housing counseling and homeownership preparation; parenting classes; health and wellness classes; youth educational success programs; childcare; transportation; and connection to public benefit programs that temporarily help families as they move toward self-sufficiency. Similar to an Individual Development Account (IDA), residents in the FSS program maintain an escrow account that accrues when the resident has an increase in earned income. At the end of the FSS participants’ five-year contract of participation, the funds are disbursed and can be used toward education, homeownership, debt repayment or other approved items supporting self-sufficiency goals. HACA’s Public Housing Resident Opportunity and Self-Sufficiency (ROSS) program is a stepping stone for the FSS program that provides connection to similar services and allows participants to complete individual goals through modules that build upon one another. Modules include: Adult Basic Education, GED Attainment, Employment, Post-Secondary Education, Financial Management, Parent Leadership, Homeownership and Youth Leadership. The ROSS program also coordinates Youth Educational Success services for school aged children. The FSS and ROSS programs allow participants to design individual training and service plans that meet their unique needs.

Planning Activities
HACA continuously seeks HUD grants and other grants to support social service programming and capital improvements and to grow the range of services it can offer to residents. In June of 2011, HACA was awarded a $1.75 million Capital Fund Education and Training Community Facilities grant to begin building a new community building at its Meadowbrook property.

The facility will offer adult education, job training and youth development programs. Designed primarily for HACA’s public housing residents, the facility will also be utilized by residents in the surrounding community. In May 2012, HACA partnered with the City of Austin to submit a Choice Neighborhoods Initiative Planning Grant application to HUD. The Austin Housing Finance Corporation (AHFC) supported the application as a co-applicant. Camiros Ltd. was selected by HACA as the planning coordinator in the event the funding is awarded. The purpose of the Choice Neighborhoods Initiative Planning Grant is to create a plan to transform public and/or assisted housing into mixed-income, mixed-use and mixed-finance housing while completing a parallel neighborhood transformation plan which determines a plan for investments in neighborhood assets including early childhood education, education, workforce development and employment, transportation, parks and social services. The planning grant application focused on the Rosewood Courts
public housing property and the surrounding Rosewood neighborhood. Grant award announcements are anticipated in fall 2012.

**Housing Authority of Travis County (HATC)**
The Housing Authority of Travis County (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 566 units of Housing Choice Vouchers, with approximately 800 individuals and families on a waiting list to receive a voucher. HATC receives a Shelter Plus Care grant 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. HATC owns and manages 105 units of public housing in Austin, 33 units of non-HUD affordable housing for seniors in Manor, and 16 affordable duplex units for families in Del Valle, TX. An affiliate of HATC, the Strategic Housing Finance Corporation, operates three tax credit/bond financed multifamily affordable housing developments in Austin: two elderly developments providing 278 units and a multi-family development with 192 units. HATC is a partner in the Permanent Supportive Housing (PSH) Leadership Council to assist in developing a financial model for a multi-jurisdictional solution to fund PSH in Austin.

The City of Austin is committed to continuing the support of partnership and efforts that will improve public housing and resident initiatives and will continue coordinating with both HACA and HATC in FY 2012-13 to inform public housing residents of affordable housing programs and opportunities. In addition, NHCD looks forward to consulting with both public housing authorities when planning and preparing for the City’s FY 2014-19 Consolidated Plan.
Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Evaluate and reduce lead-based paint hazards.

NHCD received notification in September 2011 that the City of Austin was awarded $2.5 million through HUD’s Lead Hazard Reduction Demonstration Grant. The funding will be used to identify and evaluate 180 homes for the presence of 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 Reduction Demonstration Grant for the City of Austin will expire in October 2014.

NHCD will hire a temporary marketing and outreach coordinator to work closely with City of Austin marketing experts and NHCD staff to market programs in an effort to identify eligible clients and increase program participation. The coordinator will be lead in developing and evaluating long-range market planning/strategies to increase awareness of programs and develop department identity. In addition, the coordinator will work with neighborhood associations, community leaders, political action groups, and other interested groups with on-going projects.
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Federal Guideline: Describe Other Actions in Strategic or Action Plan Taken to: Ensure compliance with program and comprehensive planning requirements.

NHCD’s Organizational Framework
NHCD is committed to ensuring compliance with program and comprehensive requirements, federally and locally. NHCD has identified “Investment in Workforce,” as a horizon issue for FY 2012-13 and will continue to develop new and creative approaches to increase professional development for its employees (Webinars, “train-the-trainer” approach, accessing organizational expertise for formal training sessions), including access to training opportunities by HUD through regional or local events.

The Planning, Policy and Outreach (PPO) Division is responsible for overseeing the comprehensive planning and development of federal (5-Year Consolidated Plan, annual Action Plan, and CAPER) and local plans and reports. Another NHCD area, the Compliance Division, ensures compliance with all program and 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 and local regulations, established program guidelines, and written contract requirements.

NHCD created a departmental Regulatory Office in FY 2011-12, to enhance coordination of monitoring and compliance for federally and locally funded activities. The PPO Division and Regulatory Office work closely on issues relating to federal planning and reporting. Staff is required to be trained on federal and local requirements. All divisions are dedicated to technical assistance for compliance with HUD regulations.

Resale and Recapture
Cities receiving HOME funds are required to comply with a designated affordability period. The affordability period of any project is contingent upon the amount per unit subsidy received and may be five, ten, or fifteen years long. PJs are required to utilize the recapture or resale provisions to ensure continued affordability and the wise stewardship of federal funds. The following NHCD programs use HOME funds to assist homebuyers, developers, or homeowners; thus, recapture and resale provisions are incorporated in its program guidelines: Down Payment Assistance (DPA), Homeowner Rehabilitation Loan Program (HRLP), and the Acquisition and Development (A&D). For more information on how each program utilizes these methods, please see specific project descriptions in Chapter 6: Activity Tables.
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Resale
In cases where HOME funding was provided to the developer but not directly to the homebuyer, the resale method is used. The affordability period is enforced through a Restrictive Covenant signed by the homebuyer at closing and is recorded in the County Clerk’s Official Public Records. The Restrictive Covenant spells out the length of the affordability period and the specific resale requirements that would have to be satisfied should the owner wish to sell the property prior to the end of the affordability period.

Both recapture and resale options have distinct advantages; the decision of which option to use is a matter of weighing factors such as trends in the marketplace, the availability of homeownership opportunities for lower-income households in the community, and the homebuyer program's local objectives.

Recapture
Under a recapture provision, the HOME financial assistance generally must be repaid. This option allows the seller to sell to any willing buyer at any price; PJs can decide what proportion of net proceeds from sale, if any, will go to the homebuyer and what proceeds will go to the PJ. Once the HOME funds are repaid, the property is no longer subject to any HOME restrictions. The funds may then be used for any other HOME-eligible activity.

To view the City’s Resale and Recapture Policy, visit Appendix VI.
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*Federal Guideline* - Describe Other Actions in Strategic or Action Plan Taken to: Reduce the number of persons living below the poverty level.

All programs administered by the City of Austin aim to address critical needs through housing, community development, and public services to benefit eligible residents so they can increase their opportunities for self-sufficiency which includes persons in poverty. Federal entitlement grants, HOPWA, ESG, CDBG, and HOME activities assist several persons that fall under the special populations category outlined in the FY 2009-14 Consolidated Plan.

*Housing Opportunities for People with AIDS (HOPWA) Activities*
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.

*Emergency Solutions Grant (ESG) Activities*
The Austin/Travis County Health and Human Services Department (HHSD) administers all ESG activities for the City of Austin. These programs are designed to be the first step in a continuum of assistance to help clients quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. ESG can also assist with the operational costs of the shelter facility, and for the administration of the grant.

*Public Service Activities*
The Austin/Travis County Health and Human Services Department (HHSD) and NHCD administer the public services contracts funding with CDBG funds. Public services offer supportive services to households with gross incomes less than 200 percent of Federal Poverty Guidelines. Childcare Services provides child care vouchers for homeless and near-homeless families and direct child care services for teen parents who are attending school. Youth Services 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. Senior Services offers services that prevent and protect seniors in becoming victims of financial exploitation.
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 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 supports 12 Issue Area Groups (IAGs) that range from housing, health, and elderly services to workforce development. 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.

NHCD will continue to collaborate with CAN and several agencies to move forward in participating in the Housing Stakeholders Group in FY 2012-13. CAN is working with the City of Austin, 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. NHCD will begin conversations and planning efforts in FY 2012-13 with the above-mentioned agencies to prepare for the City’s FY 2014-19 Consolidated Plan. As NHCD moves forward with planning efforts, staff will work closely with Travis County to align Consolidated Planning timelines and processes.

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. ECHO serves as the lead planning entity on homeless issues in Austin/Travis County. 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 homeless count and survey, which is a HUD prerequisite for CoC funding. NHCD reviews the CoC application through the Certificate of Consistency process. NHCD and the Austin/Travis County Health and Human Services Department (HHSD) serve as representatives on the Continuum of Care (CoC) Independent Review Team.

Leadership Committee on Supportive Housing Finance
On March 10, 2011, the City Council adopted the City of Austin Permanent Supportive Housing Strategy as a working document and authorized the City Manager to facilitate the Leadership Committee on Supportive Housing Finance with the intent to “work together to review and analyze the report given to Council; and recommend a comprehensive public and private financing strategy for the City Council to consider for action; and provide Council with quarterly updates on their progress beginning in May 2011 (Resolution 20110310-025). The first meeting of the Leadership Committee was held on May 5, 2011, followed by regular meetings.
through 2011 and 2012. The Committee produced a report with funding recommendations and briefed the City Council on May 24, 2012. The report identifies financing strategies and recommendations for the capital, rental subsidies and social services needed to create and sustain 350 PSH units. The Leadership Committee on Supportive Housing Finance includes, but is not to be limited to, designated representatives from: the City of Austin, Ending Community Homelessness Coalition (ECHO), Travis County, Seton Hospital Network, the St. David's Foundation, Central Health, Austin-Travis County Integral Care, the Housing Authority of the City of Austin (HACA), Housing Authority for Travis County (HATC), and the U.S. Department of Veterans Affairs.

**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 page 3-21.

**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 page 3-30.
NHCD PROJECTS BY NEIGHBORHOOD PLANNING AREA

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 FY 2012-13. The City allocates funding to these projects based on the following: type of project (e.g., transitional housing, single-family housing, ownership opportunities, etc.), level of affordability, feasibility, and evidence of leveraged funding. In addition to funding, the City offers technical assistance and benefits to developers through the City’s S.M.A.R.T. Housing™ program and through the A&D and RHDA programs to all affordable housing developers on projects located within city limits. In this section, neighborhoods have been grouped according to Neighborhood Planning Areas established by the City of Austin Planning and Development Review (PDR) Department. To view the City’s Neighborhood Planning Areas Map, visit Appendix II.

To view the specific geographic areas of the jurisdiction in which assistance will be directed during FY 2012-13, view the Geographic Distribution maps in Appendix II. These maps identify proposed projects and funding sources for FY 2012-13 and display the African American, Hispanic and Asian representation. There is also a map reflecting the Median Family Income (MFI) breakdown.

Central East Austin Neighborhood Planning Area

*Project: Chicon Corridor*
The Chestnut Neighborhood Revitalization Corporation received G. O. Bond funding to acquire three parcels upon which at least 33 units of residential ownership housing for buyers with incomes at or below 80 percent of MFI. The development will be mixed-use and will provide a revitalization of a pocket area notorious for criminal activity, vacated structures, and absentee landlords. Construction is expected to begin in FY 2012-13.

*Project: 24 Rental Units*
The Austin Housing Finance Corporation (AHFC) has partnered with Anderson Community Development Corporation (ACDC) to construct at least 24 rental units for households earning at or below 50 percent of MFI. Engineering and architecture work were underway in FY 2011-12 and will be completed in FY 2012-13.

*Project: East 11th and 12th Streets Revitalization*
The City of Austin and the Urban Renewal Agency have entered into a long-term agreement that identifies the roles and responsibilities of the two parties. This revitalization combines federal, local and private resources to improve the economic well-being and quality of life in the neighborhood. Public and private partnerships with businesses, financial, and non-profit entities are key to spurring quality investment, commercial development, and job creation throughout the East...
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11th and 12th Street Corridors. The City achieves this revitalization through activities including, but not limited to, land acquisition, demolition of dilapidated structures, relocation of displaced individuals/businesses, preservation of historic structures, redevelopment of abandoned and/or substandard structures, improvement of infrastructure, construction of new mixed-used facilities, and new community parking facilities to assist the businesses in the area. The City along with the Urban Renewal Agency are considering the strategy recommendations in which a workplan will be developed to address.

Project: 1313 Willow
Located in the Guadalupe Neighborhood, funding has been approved for demolition of a 1940s rental and construction of new a home at 1313 Willow Street which will be sold to a low- to moderate-income buyer. The home is expected to be completed and sold in early 2013.

Project: 2106 Chestnut
The Blackland Community Development Corporation (BCDC) will also construct one new single-family home at 2106 Chestnut to serve as a rental for a household earning at or below 50 percent of MFI.

East Riverside/Oltorf Neighborhood Planning Area

Project: Arbor Terrace
Foundation Communities acquired a former extended-stay hotel located at 2501 South Interstate 35 and will convert it into a Single Room Occupancy (SRO) facility to house individuals earning incomes at or below 50 percent of MFI. The development, known as Arbor Terrace is currently under renovation. AHFC has taken title to the land and is leasing it back to an affiliate of Foundation Communities. The property tax savings realized by AHFC’s ownership will be put back into resident services. Foundation Communities has committed to provide 25 units of Permanent Supportive Housing at Arbor Terrace. Renovations have been completed for Arbor Terrace and it is expected to finish its initial lease-up in FY 2012-13.

Pecan Springs/Springdale Combined Neighborhood Planning Area

Project: Pecan Springs Commons
The City has partnered with Green Doors to provide affordable housing in the Pecan Springs/Springdale neighborhood. Green Doors used both federal funds and General Obligation (G.O.) Bond funds to acquire 82 units of rental housing, including 48 units of PSH. The 9 four-plexes and a 46-unit apartment complex, all on Sweeney Circle, are in the process of rehabilitation or are leasing up. This development has already had a transforming effect in this pocket area which had previously experienced a high crime rate and poor property conditions due to absentee landlords. The
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development serves the chronically homeless, homeless veterans, persons or families exiting shelter, and low-income working families.

St. John/Coronado Hills Combined Neighborhood Planning Area

Project: St. John Neighborhood
The City has partnered with Neighborhood Housing Services (NHS) of Austin to provide affordable housing in the St. John neighborhood. Work will be completed in FY 2012-13.

University Hills/Windsor Park Combined Neighborhood Planning Area

Project: Devonshire Village
Austin Habitat for Humanity, in partnership with the City, completed infrastructure work on its 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. Home construction has been underway since FY 2008-09 and more than half of the homes have been sold. Home construction and sales will continue in FY 2012-13.

Govalle/Johnston Terrace Combined Neighborhood Planning Area

Project: The Works at Pleasant Valley
LifeWorks, a non-profit organization serving youth and families, received funding to acquire property to develop a 45-unit rental housing development that will serve formerly homeless youth, teen families, single-parent families, and youth aging out of foster care. Located next to Austin Community College’s Eastview Campus and served by major transit routes, The Works at Pleasant Valley and the services provided by LifeWorks will offer residents the means to achieve their personal goals. Construction for this project will commence in FY 2012-13.

Project: Guadalupe-Saldaña Subdivision
The Guadalupe Neighborhood Development Corporation (GNDC) has completed pre-development work on the 11-acre Guadalupe-Saldaña subdivision in the Govalle/Johnston Terrace Neighborhood. The first phase of infrastructure development is underway, and funding has been approved for the first residential units in the subdivision. The Guadalupe-Saldaña Subdivision will be comprised of 90 units of affordable rental and ownership housing.

South Lamar Combined Neighborhood Planning Area

Project: The Ivy Condos, Phase II
Easter Seals Central Texas received a HUD Section 811 grant plus General Obligation (G.O.) Bond funding to acquire 10 condominium units at the Ivy Condominiums on Manchaca Road. The units were acquired with accessibility modifications already completed and will house persons with disabilities with incomes at or below 50 percent of MFI. Phase I consisted of 8 units at The Ivy
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Condos acquired by Easter Seals Central Texas in 2010. Those units were also funded by G. O. Bond funds and a HUD Section 811 grant.

Project: Treaty Oaks Apartments
Green Doors partnered with the City to acquire and rehabilitate a 47-unit apartment complex on Manchaca Road. The units will be leased to individuals and families with incomes at or below 50 percent of MFI. Treaty Oaks will house formerly homeless individuals, including veterans, persons at risk of becoming homeless and very low-income working families. Green Doors has committed to providing 24 units of Permanent Supportive Housing (PSH) at Treaty Oaks. The complex will begin leasing in FY 2012-13.

Project: The Legacy Apartments
The City partnered with Mary Lee Community, an affiliate of the Mary Lee Foundation, to acquire property that will eventually become a new 40-unit complex providing affordable rental units to individuals and families with disabilities. Planning efforts began FY 2011-12 and construction is expected to begin in FY 2012-13.

Westgate Neighborhood Planning Area

Project: Westgate Grove
General Obligation (G.O.) Bond funding was provided to PeopleTrust and MoMark Development to acquire and develop nine acres for a 50-unit subdivision. The subdivision will consist of single-family homes that will be sold to buyers earning at or below 80 percent of MFI. The homes will use a shared equity/right of first refusal model of ownership in order to ensure long-term affordability. The acquisition of the property was completed in FY 2009-10. Pre-development work is currently underway. In FY 2010-11 additional G.O. Bond funding was approved for PeopleTrust, which partnered with Peoples/Howell 2, LLC, to acquire 7 acres adjacent to the 9 acres previously referenced. This 7-acre tract will be developed for 50 attached condominium units to be sold to buyers earning at or below 80 percent of MFI. An extension of Westgate Boulevard was completed in FY 2011-12 which will provide additional access to future residents and greater mobility for the area. Construction is expected to begin in FY 2012-13.

Other Areas

Project: Sendero Hills Ownership
Habitat for Humanity of Austin partnered with the City to use General Obligation (G.O.) Bond funding to assist with the acquisition of 15 acres plus infrastructure construction, for 49 homeownership units in the Sendero Hills neighborhood of East Austin. The property has been acquired and infrastructure construction has been completed. Home construction continues to be underway in FY 2012-13.

Project: Colony Park Sustainable Communities Initiative
The City of Austin received a $3 million dollar 2011 HUD Community Challenge Grant for the Colony Park Sustainable Communities Initiative. This proposed Master Planned; 208-acre development will incorporate best practice strategies for energy-
efficient building design, water conservation and zero waste technology and standards to create a model sustainable and livable mixed-use, mixed-income community in East Austin. The project will include completion of a Master Plan, resulting in rezoning; engineering for subdivision and site planning for review and approval by the City of Austin; infrastructure construction plans and architectural design and plans for new sustainable residential and commercial development. Through its outright ownership of this 208-acre tract of land, the City of Austin is in a unique position to address the Challenge Grant livability principles and to promote the community vision. The initiative will be led by NHCD, in partnership with AFHC and other city departments. AHFC will serve as the master developer of the site and as builder for a portion of the housing. AHFC will also partner with private sector builders for development of both single-family and multi-family housing. To view more information on the Colony Park Sustainable Communities Initiative and HUD’s livability principles, visit Chapter 4, page 4-34.
ACTIVITIES TO ADDRESS HOMELESSNESS
This section outlines activities for those experiencing homelessness provided by the community at large as well as the specific activities funded in the FY 2012-13 Action Plan.

Community Framework for Addressing Homelessness
The Ending Community Homelessness Coalition (ECHO) is charged with providing dynamic proactive leadership that engages policy makers and the community in ending homelessness. ECHO serves as the lead planning entity on homeless issues in Austin/Travis County. 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 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 a locality - city, county, or state – that receives Community Development Block Grants) are required to complete a CoC application that coordinates the needs of all the homeless service providers in the region.

For more information about Continuum of Care funding and 2010 allocations, visit the McKinney-Vento section in Chapter 2.

Austin’s Community Plan to End Homelessness (2010)
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 (HUD). Plans have been adopted by all but one or two of the fifty largest cities in the United States.

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 City continues to work closely with the ECHO to execute the 10 Year Plan to End Community Homelessness in Austin/Travis County by 2020. As set forth in the Plan, ECHO has incorporated as a 501(c)3 coordinating entity with a re-designed governing structure, secured initial funding for staffing and program activities to ensure implementation of the Plan including hiring the first Executive Director, and has moved Homeless Management Information System (HMIS) management to ECHO. The City and County both invest cash and in-kind resources in ECHO.

With strategies for: 1) preventing homelessness, 2) addressing short-term and long-term homelessness, and 3) leading highly-effective coordination, ECHO works to impact practices and policies that will lead to all people having a place to call home.
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ECHO Focus Areas and Strategies:

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 service capacities 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 services and substance abuse services, and
- 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 by working through ECHO to increase 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.

City participation at all levels is key to ECHO’s progress and success:

- City Council remains committed to creating 350 units of Permanent Supportive Housing (PSH) for the target population;
- City staff help identify funding sources for the Permanent Supportive Housing Initiative;
- City staff participates in the renewal process of current HUD Continuum of Care (CoC) funded programs, totaling $5.17M; 21 programs were reviewed by an Independent Review Team, which visited all CoC agencies to provide a thorough review of all CoC allocations. The ECHO CoC Workgroup and Membership Council coordinate Review activities.
- City staff participates in the annual Point in Time Count each January; staff volunteer to participate in training before canvassing the streets to count and survey unsheltered homeless individuals and families. The Count is led by the ECHO Data Workgroup.
- City staff promotes outreach activities to educate the public about housing needs and solutions. The Roof Over Austin campaign educates the community about PSH, while the ECHO Speakers’ Bureau shares the stories of those who have experienced homelessness throughout the community; ECHO Hunger and Homeless Awareness week provides distinct opportunities for the public to engage in ending homelessness.
- City staff oversees the enhancement of the Homeless Management Information System (HMIS). This involves the ECHO Data Workgroup, the HMIS subcommittee and the new HMIS Director, whose salary is funded by City investment. The goal is to increase the amount of data captured, the data quality and useful reporting so the community can make data driven decisions.

This strong City participation strengthens four ECHO workgroups, ten committees and the Membership Council by providing leadership, knowledge and resources. Current city emphasis is on permanent supportive housing, expanded and efficient use of HMIS and preventing homelessness through housing stability.

Additionally, the City and ECHO will work together to address the many changes to HUD’s CoC programs stemming from the HEARTH Act, including changes to the
Emergency Shelter Grant, which is now the Emergency Solutions Grant. Like the ECHO Plan, the goal of the changes to the HEARTH Act is to end homelessness. It requires communities to pursue permanent housing and to coordinate assessment and intake activities. Austin/Travis County should implement change in a manner that prevents, reduces and eventually ends homelessness.
Chapter 3: Federal Objectives

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA) REPORT SPECIAL REQUIREMENTS, FY 2012-13

Federal Guideline - 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.

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 collaboration with other HIV case management service providers. This process has proven to support HOPWA activities effectively and in a timely manner. HOPWA investments are allocated in the Emergency Medical Services Authority (EMSA) based on need. The majority of HOPWA services are provided in Travis County where most of the EMSA’s population is located. HOPWA services in the rural areas of the EMSA are provided by the Community Action Agency.

AIDS Services of Austin (ASA) manages the Short-Term Rent, Mortgage, & Utility Assistance (STRMU), Tenant-Based Rental Assistance (TBRA), Permanent Housing Placement (PHP) and Short-Term Supported Housing (STSH) programs. These programs meet the urgent needs of eligible persons living with HIV/AIDS and their families and enhance the area’s effort in ending chronic homelessness.

- The goals of the STRMU and TBRA programs are to prevent homelessness and to support the housing stability of program participants. 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.

- The goal of Permanent Housing Placement (PHP) services is to help individuals establish permanent residence when continued occupancy is expected. To ensure eligible clients are able to establish a new residence, funding from 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 to eligible individuals to prevent homelessness and provide an opportunity for case managers to develop an individualized housing and service plan to guide the client’s linkage to permanent housing.

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 FY 2012-13.

HIV case managers provide 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 provision of Transitional Facility-Based Housing. Many of the clients accessing this HOPWA program have secondary and tertiary co-morbidities, such as mental health diagnoses and substance abuse, and consequently face a number of challenges that affect their ability to access necessary services. With adequate support many of these individuals have the potential, ability and willingness to transition to independence. The move to independence and self-sufficiency is facilitated through the provision of Supportive Services. The residential supportive services program helps program participants stabilize their living situations and help address their medical care needs. 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.

**Federal Guideline** - 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 and 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-fee scale. 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. 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 Agency, Wright House Wellness Center and the City of Austin’s Communicable Disease Unit. Case managers provide transportation assistance for HOPWA clients who need help accessing HIV core medical and supportive services. To identify client resources, a 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 developed 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. The Austin/Travis County Health and Human Services Department (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 five-county “transitional grant area” wide comprehensive needs assessment, the Austin Area Comprehensive HIV Planning Council generates an HIV services Priority List. By allocating grant funds according to this community-wide priority list, additional community resources such as grant awards, private funds, and in-kind contributions are effectively targeted, and duplication or gaps in services are minimized. Leveraging of funds occurs in several ways. Housing case managers also leverage local City, County and Ryan White grant funds, as well as private funding and donations to pay housing deposits, for documents (e.g. identification) required to secure low-income housing; and for transportation services including the use of agency vehicles and taxi vouchers to transport clients to appointments when applying for housing-related resources. The State of Texas provides additional State HOPWA and general revenue funds through contracts with Community Action Agency to provide rent, mortgage and utility assistance to people living with HIV/AIDS and their families in rural areas of Central Texas.
Federal Guideline - Describe the method of selecting project sponsors for activities in the Metropolitan area, including areas not within the boundaries of the applicant City.

The Austin/Travis County Health and Human Services Department (HHSD) has contracted with two agencies, AIDS Services of Austin (ASA) and Project Transitions (PT) since 1995. These two agencies have been the sole respondents to Notifications of Funding Availability (NOFA) for HOPWA services. They also were selected to provide these services via a Request for Applications (RFA) process in August of 2002 and have been the designated subrecipients for these services. These agencies carry out activities independently or collaboratively with other housing case management providers in the area and have a history of satisfactory service performance and delivery.
Chapter 4
Local Objectives
LOCAL OBJECTIVES

The City of Austin will continue local policy and program initiatives in FY 2012-13 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 are key policy strategies that the City utilizes to meet its mission during the Consolidated Plan period. These include:

1. Promote affordable housing core values: Long-term Affordability, Geographic Dispersion, Deeper Levels of Affordability,
2. Encourage private sector development of affordable housing and commercial revitalization,
3. Expand alternate revenue sources,
4. Provide leadership and education for affordable housing and community development,
5. Promote sustainable practices.
Chapter 4: Local Objectives

The following highlights how Austin will apply each policy initiative.

1) PROMOTE AFFORDABLE HOUSING CORE VALUES: LONG-TERM AFFORDABILITY, GEOGRAPHIC DISPERSION, DEEPER LEVELS OF AFFORDABILITY

a) Long-term Affordability

*Shared Equity Tools*

The City of Austin, through the Neighborhood Housing and Community Development (NHCD) Office and Austin Housing Finance Corporation (AHFC), uses a shared equity ownership model to preserve affordable housing. NHCD and AHFC programs that apply the shared equity model include: the 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 or housing reconstruction services in exchange for two provisions that preserve housing affordability in Austin:

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

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

*Community Land Trust*

A Community Land Trust (CLT) is a tool to preserve public investment in affordability and preserve 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 in which housing prices are increasing rapidly, the subsidy given to low-income households is lost to future residents when the house is sold. In addition, a CLT would allow the City to reach deeper levels of affordability for lower-income homeowners.

Texas Local Government Code, Chapter 373B Community Land Trusts, went into effect on January 1, 2012. This legislation authorizes local governments to designate by ordinance, non-profit organizations as Community Land Trusts. The organization must be a 501(c)(3) non-profit, created to acquire and hold land for the benefit of developing and preserving long-term affordable housing within the municipality. The purpose of this legislation and the designation is to allow the designated non-profit to apply for exemption from taxation by a taxing unit on specific community land trust properties.

In response to the new legislation, the Austin City Council passed Resolution No. 20120202-15, directing staff to work with the Community Development Commission (CDC) and the Community Housing Development Organizations (CHDO) and other
eligible non-profit organizations to implement a process for evaluation and consideration for designation as a CLT.

NHCD staff is working with the City’s Law Department on developing criteria for CLT designation and the associated ordinances necessary to implement a process for evaluation and consideration for designation. NHCD will also consider strategic partnerships with local organizations that successfully implement the CLT model in Austin, include the Colony Park Sustainable Communities Initiative.

**Publicly-Owned Land/ Public Property Tax Exemption**
The Austin Housing Finance Corporation (AHFC), as a tax-exempt public entity, receives a 100 percent tax exemption on all land it owns. AHFC occasionally chooses to partner with an affordable housing developer through purchase of the land and a long-term leasehold deed of trust held by AHFC. The benefit of AHFC’s property tax exemption helps sustain the project’s viability and affordability. This structure is typically used when the affordable housing development meets several key criteria, among them: location on/near a transit-oriented development or core transit corridor, near critical services and amenities, in a high-opportunity area, and serving very low-income residents. Exhibit 4.1 provides a list of the properties AHFC owns and leases back to the development’s operating entity.

**Exhibit 4.1: AHFC Long-Term Lease Projects**

<table>
<thead>
<tr>
<th>Name</th>
<th>Operated by</th>
<th>Location</th>
<th>Population Served</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Villas on Sixth*</td>
<td>Campbell-Hogue &amp; Associates</td>
<td>2011 East 6th St.</td>
<td>50 % MFI and below, but also includes 24 market-rate units</td>
<td>160</td>
</tr>
<tr>
<td>Oak Springs Villas</td>
<td>Volunteers of America</td>
<td>2901 Oak Springs</td>
<td>Seniors at or below 50 % MFI</td>
<td>56</td>
</tr>
<tr>
<td>(former City Surplus)</td>
<td></td>
<td>(former City Surplus)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spring Terrace</td>
<td>Foundation Communities</td>
<td>7101 N. IH-35</td>
<td>50 % MFI and below</td>
<td>140</td>
</tr>
<tr>
<td>Primrose at Shadow Creek*</td>
<td>Cascade Affordable Housing</td>
<td>1036 Clayton Lane</td>
<td>Seniors at or below 60 % MFI</td>
<td>176</td>
</tr>
<tr>
<td>Glen Oaks Corner</td>
<td>Green Doors</td>
<td>900 Neal St. (former City Surplus)</td>
<td>50 % MFI and below</td>
<td>6</td>
</tr>
<tr>
<td>Franklin Gardens</td>
<td>Chestnut Neighborhood Revitalization Corporation</td>
<td>MLK and E. M. Franklin Blvd. (former City Surplus)</td>
<td>Seniors at or below 50 % MFI</td>
<td>22</td>
</tr>
<tr>
<td>Retreat at North Bluff</td>
<td>Village on Little Texas, LLC</td>
<td>2912 Crow Ln.</td>
<td>Mixed income development with 6 PSH units, and 50 units for 30 % and 50 % MFI</td>
<td>240</td>
</tr>
</tbody>
</table>

*Owned in part by an AHFC-affiliated entity either through a Limited Partnership or Limited Liability Company.
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 Downtown Affordable Housing Strategy (July 2009). In addition, community feedback provided throughout the FY 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. 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’s 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.

NHCD would like to highlight the following preservation development that was approved in the last fiscal year:

**Pecan Springs Commons**
The non-profit organization, Green Doors, with assistance from Austin Housing Finance Corporation (AHFC), a private lender, and the Texas Veteran's Commission, has been able to preserve 82 affordable units on Sweeney Circle in northeast Austin. This particular development, known as Pecan Springs Commons, has not only preserved affordable rental units but has had a transformative effect on the entire neighborhood. Before Pecan Springs Commons was initiated, the four-plexes and a small apartment complex on Sweeney Circle were owned by absentee landlords. Deferred maintenance left most of the units in sub-standard condition, and the street was infamously known for being a high-crime area.

Since that time, and in three phases, Green Doors has been able to acquire and rehabilitate the 82 units on Sweeney Circle that currently house or will house formerly homeless persons, including homeless veterans, and very low-income working individuals and families. Green Doors is also able to provide supportive services to those needing such assistance. The transformative effect on the street and the surrounding neighborhood has resulted in a significant reduction in crime. Pecan Springs Commons offers its residents a safe, affordable, and supportive environment in which they have an opportunity to improve the quality of their lives, along with attractive residential units created through the rehabilitation of the properties.

NHCD nominated Pecan Springs for National Association of Local Housing Finance Agencies’ (NALHFA) 2012 Annual Conference Awards. The development received an award for Multi-Family and Redevelopment Excellence on April 26, 2012.

**b) Geographic Dispersion**
The City supports providing affordable housing in areas outside of low-income neighborhoods; thereby reducing racial and ethnic segregation, deconcentrating poverty, and providing for more economic opportunities for low-income households. NHCD currently provides funding preference through a scoring matrix system to projects that assist in the dispersion of affordable housing stock throughout the community, to focus on areas in Austin where there is a shortage of affordable housing. As a result of this focus, NHCD has achieved greater geographic dispersion in the units it has funded in recent years. The City of Austin has achieved significant geographic dispersion in the units funded through the City’s General Obligation (G.O.) Bond funding. At the time of this report, 2,431 total units have been created. This total also
includes home rehabilitation. The G.O. Bond funding has leveraged $177 million in private/public investment and created more than 1,500 jobs.

The Austin City Council passed a resolution on December 15, 2011, directing the City Manager to work with the Community Development Commission (CDC) and other stakeholders to research strategies of achieving geographic dispersion of affordable housing. The City Manager was charged with identifying additional strategies and practices for geographic dispersion of affordable housing, and the feasibility of implementing those strategies for the City of Austin. In response to this resolution, NHCD has conducted research of municipal affordable housing siting policies, formed and participated in an Affordable Housing Siting Policy Working Group. The Working Group has assessed feasibility and developed an Affordable Housing Siting Policy Interim Update based upon feedback gathered at the Affordable Housing Across Austin conversation. To view the Affordable Housing Siting Policy Interim Update, view Appendix XIV.

c) Deeper Levels of Affordability
The Comprehensive Housing Market Study (March 2009) showed a gap of 37,600 units of affordable housing for households making less than $20,000 a year. To assist in closing that gap the City will continue to prioritize resources to affordable housing projects that serve very-low income households.

**Permanent Supportive Housing**
On March 25, 2010, the City Council passed Resolution No. 20100325-053, directing the City Manager to give priority to federal and local funding for permanent supportive housing (PSH), and to develop a comprehensive strategy for the construction and operation of 350 permanent supportive housing units over the next four years. On September 30, 2010, the City’s PSH strategy was presented to City Council. Implementation is underway to achieve the 350-unit goal.

PSH that meets the goals of the City of Austin’s PSH Strategy will serve individuals or families in the following categories:

- Headed by individuals that are chronically homeless as established in the final rule of the HEARTH Act\(^1\) published in December 2011;
- Households that would otherwise meet the HUD definition as above, but have been in an institution for over 90 days, including a jail, prison, substance abuse facility, mental health treatment facility, hospital or other similar facility;
- Unaccompanied youth or families with children that demonstrate housing instability and have other barriers that will likely lead to continued instability, as detailed in the plan; and
- Youth aging-out of state systems, whether homeless or at-risk of homelessness.

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\(^1\) U.S. Department of Housing and Urban Development, URL: [http://www.hudhre.info/hearth/](http://www.hudhre.info/hearth/)
Among those served, priority will be given to at least 225 households identified as frequent users of public systems, and at least 75 households identified using a method linked to ‘vulnerability,’ as described in the plan that can be viewed online at www.austintexas.gov/housing.

In FY 2011-12, the City Council approved $7.2 million in General Obligation (G.O.) Bond funding for the creation and retention of affordable rental housing, of which $1.475 million was recommended to fund permanent supportive housing. Of those proposed, the following applicants have identified serving PSH sub-populations in the City’s Strategy.

- Green Doors, Pecan Springs Commons, Phase II, 11 PSH Units,
- Green Doors, Pecan Springs Commons, Phase III, 12 PSH units, and
- Lifeworks, The Works at Pleasant Valley, 10 PSH units.

Exhibit 4.2 represents the estimated number of PSH units towards that 350-unit goal (as of May 2012) with capital, operating and service components funded through the City of Austin and a variety of other funding sources. This exhibit also reflects units not funded by the City of Austin. NHCD and HHSD staff continue to coordinate efforts to educate the community on the number of PSH units coming online in Austin due to the importance of responding to this community housing need. Thus, as community partnerships are formed, the City staff will continue to incorporate this information – while being diligent to identify corresponding agencies and funding sources.

The City of Austin will continue its strategic effort to serve individuals or families in the targeted populations listed above. The City is working with service providers to track the anticipated subpopulations served by each of the projects and will provide updated information to the public on the City’s PSH web site and by request. Please visit the web site at www.austintexas.gov/department/permanent-supportive-housing-initiative.

NHCD will continue to prioritize the creation of permanent supportive housing units through scoring criteria in the Rental Housing Development Assistance (RHDA) Program in FY 2012-13. To ensure that recipients of funding for projects with proposed PSH components comply with the City’s PSH standards, NHCD will require development and completion of the following items through written agreements with developers receiving RHDA funding for PSH: Tenants’ rights policy; reasonable criminal background policy; Qualified referral source(s) for tenants utilizing frequent user or vulnerability index as well as other procedures designed by the City in an effort to promote and increase affordable housing throughout the Austin community.

In addition, NHCD and HHSD will continue to collaborate on a number of ancillary activities to support the implementation of the PSH strategy, including support for the Leadership Committee on Permanent Supportive Housing Finance, training and technical assistance for PSH providers, an evaluation component, and community outreach, engagement and education.
## Exhibit 4.2: Initial Funding Committed

<table>
<thead>
<tr>
<th>Sponsor Name</th>
<th>Project Name</th>
<th>Total PSH Units</th>
<th>Project Status</th>
<th>Approval Year</th>
<th>Anticipated Completion Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Front Steps/ Travis County Housing Authority</td>
<td>Front Steps</td>
<td>18</td>
<td>HHSD contract</td>
<td>2012</td>
<td>2012</td>
</tr>
<tr>
<td>Travis County/ Travis County Housing Authority</td>
<td>The Works at Pleasant Valley</td>
<td>10</td>
<td>Initial funding committed</td>
<td>2012</td>
<td>2013</td>
</tr>
<tr>
<td>Lifeworks</td>
<td>Lifeworks</td>
<td>10</td>
<td>Initial funding committed</td>
<td>2012</td>
<td>2013</td>
</tr>
<tr>
<td>Caritas</td>
<td>2012 Continuum of Care (CoC) Bonus (leased units)</td>
<td>25</td>
<td>Initial funding committed</td>
<td>2012</td>
<td>2013</td>
</tr>
<tr>
<td>Green Doors</td>
<td>Pecan Springs Commons, Phase II</td>
<td>11</td>
<td>Initial funding committed</td>
<td>2012</td>
<td>2013</td>
</tr>
<tr>
<td>Green Doors</td>
<td>Pecan Springs Commons, Phase III</td>
<td>12</td>
<td>Initial funding committed</td>
<td>2012</td>
<td>2013</td>
</tr>
<tr>
<td>Caritas</td>
<td>2011 Continuum of Care (CoC) Bonus (leased units)</td>
<td>20</td>
<td>Leasing Up</td>
<td>2011</td>
<td>2012</td>
</tr>
<tr>
<td>Summit Housing Partners</td>
<td>Marshall Apartments</td>
<td>20</td>
<td>Rehab Underway</td>
<td>2011</td>
<td>2012</td>
</tr>
<tr>
<td>Foundation Communities</td>
<td>Arbor Terrace</td>
<td>25</td>
<td>Renovations Underway</td>
<td>2010</td>
<td>2012</td>
</tr>
<tr>
<td>FrontSteps</td>
<td>2010 Continuum of Care (CoC) Bonus (leased units)</td>
<td>26</td>
<td>Occupied</td>
<td>2010</td>
<td>2011</td>
</tr>
<tr>
<td>Green Doors, Inc.</td>
<td>Pecan Springs Commons</td>
<td>17</td>
<td>Occupied</td>
<td>2009</td>
<td>2010</td>
</tr>
<tr>
<td>Village on Little Texas, LLC</td>
<td>Retreat at North Bluff</td>
<td>6</td>
<td>Initial funding committed</td>
<td>2009</td>
<td>2011</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>Total</strong></td>
<td><strong>238</strong></td>
<td><strong>Total</strong></td>
<td><strong>Total</strong></td>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

### Leadership Committee on Supportive Housing Finance

On March 10, 2011, the City Council adopted the City of Austin Permanent Supportive Housing Strategy as a working document and authorized the City Manager to facilitate the Leadership Committee on Supportive Housing Finance with the intent to “work together to review and analyze the report given to Council; and recommend a comprehensive public and private financing strategy for the City Council to consider for action; and provide Council with quarterly updates on their progress beginning in May 2011 (Resolution 20110310-025). The first meeting of the Leadership Committee was held on May 5, 2011, followed by regular meetings through 2011 and 2012. The Committee produced a report with funding recommendations and briefed the City Council on May 24, 2012. The report identifies financing strategies and recommendations for the capital, rental subsidies and social services needed to create and sustain 350 PSH units.
Community Engagement Plan
In January 2011, City Council requested that the City Manager offer an overview of the “best practices from other cities on engaging communities and building support for permanent supportive housing projects.” The resulting presentation, offered to the Comprehensive Planning and Transportation Subcommittee on March 7, 2011, outlined strategies for a Community Engagement Plan to inform and involve stakeholders.

In order to expand on the March presentation, build on the best practices identified in it, and offer detailed action steps and timelines to ensure that the goal of establishing 350 units of PSH by 2014 is realized with strong community support, a team from HHSD, NHCD, CPIO and the Ending Community Homelessness Coalition (ECHO) is now meeting regularly to design and implement a community education campaign to engage and dialogue with the community about supportive housing.

The PSH Community Engagement Plan is a comprehensive strategy developed by City of Austin staff in collaboration with ECHO. The plan lays out the steps that the City and its partners will take to achieve the following goals and objectives:

- educate stakeholders about PSH and increase understanding of its objectives and operations;
- empower key groups to tell the story of PSH;
- increase opportunities for stakeholders to participate in ongoing efforts to achieve the City’s PSH targets and end homelessness; and
- build long-term goodwill and support for PSH in Austin.

The City of Austin, its city-wide and local partners, will achieve these goals and objectives with the following strategies:

- **Key messages**: create, distribute and use key messages so that each messenger can explain PSH to diverse audiences;
- **Educational materials**: create and distribute materials that describe PSH’s important role in ending homelessness in Austin, including a media kit;
- **Proactive Community Outreach**: cultivate and utilize new and existing relationships to build awareness and strengthen support for Austin’s PSH plan, through briefing meetings, discussions with key community leaders, meetings with city and neighborhood groups, and well-defined opportunities for continuing participation in the evaluation and refinement of Austin’s PSH strategy.

Exhibit 4.3 illustrates the image used for the “Roof Over Austin” campaign creating awareness on PSH.
Good Neighbor Guidelines

In FY 2010-11, the Austin City Council passed Resolution No. 20110113-040, which found that a broad community dialogue that includes stakeholders from neighborhoods all across Austin is needed to establish successful approaches for integrating low-income housing throughout the city and directed the City Manager to research and report on best practices from other cities on engaging communities and building support for permanent supportive housing projects. In response to this resolution, the City conducted six listening sessions and one public workshop engaging approximately 150 participants in discussions related to notification and community engagement of proposed affordable housing developments with the surrounding neighborhood. Participants in the discussions included neighborhood leaders, current tenants of permanent supportive housing, affordable housing developers, service providers, and members of the business and faith communities.

Participants offered common themes for their desired outcomes in the above conversations, including:

- Transparency of information about the proposed development (whether provided via the developer or the City);
- Consistency with existing neighborhood plans and other city-approved planning documents;
- Effective and predictable communication methods; and
- Respect and good faith participation from all parties.
In response to this feedback, NHCD created a set of Good Neighbor Guidelines to clarify and standardize a process for notification and community engagement on all projects funded through the City’s Rental Housing Development Assistance (RHDA) and Acquisition and Development (A&D) programs. Applicants for these programs are required to prepare and begin implementing a community engagement plan, including neighborhood notification activities. The community engagement plan is needed whether the application is for funding for new construction or renovation of an existing building, regardless of whether there is a change in ownership. The guidelines will be finalized prior to FY 2012-13.
2) ENCOURAGE PRIVATE SECTOR DEVELOPMENT OF AFFORDABLE HOUSING

a) Developer Incentives
The City of Austin has created several key developer incentive programs to encourage the development of affordable housing and target affordable housing to create denser developments located close to transit and other amenities. There are several programs in place that offer various incentives or entitlements in exchange for community benefits, including affordable housing. They include:

1. **S.M.A.R.T. Housing™**
The City Council adopted the S.M.A.R.T. Housing™ Ordinance in April 2000 to encourage 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.

The policy stipulates that all S.M.A.R.T. Housing™ certified single-family ownership units meet visitability standards reflected in the City's Visitability Ordinance. All multi-family developments must comply with federal, state and local accessibility standards, and at least 10 percent of the multi-family housing units must be accessible. Developments that meet these and other prerequisites are given expedited review under the City’s development process and reductions/exemptions for certain development and construction fees. S.M.A.R.T. Housing™ provides a vehicle to achieve neighborhood support for housing that serves low- and moderate-income residents by requiring applicants to meet with neighborhood organizations prior to filing an application for a zoning change. In 2008, recommendations from the Council-appointed Affordable Housing Incentives Task Force (AHITF), some of which applied to S.M.A.R.T. Housing™, were incorporated into the City of Austin's Land Development Code. The City Council has adopted Land Development Code amendments that allow density bonuses in certain single-family and/or multi-family S.M.A.R.T. Housing™ developments without a zoning change. In addition, downtown developments that request and receive additional zoning entitlements must provide a percentage of affordable housing units or pay a fee-in-lieu to fund affordable housing in or near the downtown area.

2. **Vertical Mixed-Use (VMU)**
The 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.

3. **North Burnet/Gateway**
This low-density neighborhood is being transformed into a high-density bonus neighborhood with incentives, whereby developers can receive a density bonus and must provide 10 percent affordable housing or pay a fee-in-lieu (currently $6/square foot).

4. **University Neighborhood Overlay (UNO)**
The City Council adopted Ordinance No. 040902-58 on September 2, 2004, 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 in exchange for a set-aside of affordable housing units.

UNO requires two tiers of affordability, 10 percent of units for households earning at or below 80 percent of MFI and another 10 percent at or below 65 percent of MFI. The developer has the option to pay a fee-in-lieu of providing the units at or below 65 percent of MFI. In addition, units at or below 80 percent of MFI must be on-site. Should a developer offer 10 percent of the units to households earning at or below 50 percent of MFI, the developer has an option to receive an addition height bonus. This funding source is one of several identified in this annual Action Plan that allows for the creation and retention of affordable housing, specifically in the UNO zoning district.

Since inception, $1,058,253 has been collected as fees-in-lieu for the UNO program. These funds are available to develop affordable units within UNO boundaries. To date, a total of 117 units have been constructed at 50 percent MFI, 10 units at 65 percent MFI, and 357 units at 80 percent MFI.

- **UNO Fee-in-Lieu Potential Adjustment**
  The City Council directed the City Manager in December 2009, through Resolution No. 20091210-044 to work with the Community Development Commission (CDC) and Planning Commission to make recommendations on a potential revision to the calculation of the fee in-lieu and initiate the necessary code amendments. The amendments are scheduled to be heard before the Planning Commission in late June 2012.

- **Stakeholder Process**
  As a first step to the potential revision process, there were two stakeholder meetings held in September 2010. These were hosted by NHCD and the City’s Planning and Development Review Department (PDR) and focused on possible revisions to the fee-in-lieu within the UNO district, as well as a possible provision for annual adjustment based on current and future market conditions. NHCD staff provided a summary of the public input to both the Community Development Commission (CDC) and the Planning Commission. Both, CDC and Planning Commission requested that the City hire a consultant for an economic analysis of how adjustments to the fee-in-lieu would impact the feasibility and production of the UNO density bonus program before both boards make an official recommendation on revising the fee-in-lieu.

The City contracted with the firm Economic & Planning Systems (EPS) for this economic analysis. EPS worked with key stakeholders and commissioners, and presented the findings and recommendations on the fee-in-lieu to the CDC and Planning Commission, as well as City Council subcommittee members. If it is determined that there will be a revision to the fee-in-lieu, the new fee-in-lieu will be implemented in FY 2011-12.

5. **Transit-Oriented Development (TOD)**
The Transit-Oriented Development (TOD) Ordinance, establishes station areas for the
Capital Metro commuter rail line. The ordinance set affordable housing goals for new development or redevelopment in the half-mile areas surrounding the commuter rail stations. In late 2008 and early 2009 Council adopted three station area plans that implement the goals set forth in the original ordinance. The overall 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 or at or below 60 percent of MFI for rental. Other sub-goals also apply, including a goal to serve lower-income levels within the Central East Austin Community Preservation and Revitalization Zone (CP&R).

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. The City Council adopted the following three station area plans:

Saltillo Station Area Plan – The Saltillo TOD district is located close to downtown Austin, between Interstate 35 and Chicon Street and along the future commuter rail line. The City anticipates that significant development will occur along this important East Austin corridor. The integration of new developments with the existing neighborhood and other revitalization efforts will be critical to ensuring its ultimate success. The Capital Metro Transportation Authority, the largest landowner in this corridor, will be an important stakeholder in future decisions for this area. Saltillo Station Area’s Neighborhood Planning Areas: Cesar Chavez, Central East Austin, and Holly Neighborhood.

Martin Luther King, Jr. (MLK) Station Area Plan – The MLK TOD district is located adjacent to Martin Luther King, Jr. Boulevard, east of downtown and along the future commuter rail line, in an area where significant reinvestment has occurred in recent years. City analysis shows 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. Foundation Communities, a nonprofit affordable housing provider, secured Low Income Housing Tax Credits and substantial local funding to acquire 8.5 acres and build a mixed-income apartment complex within the MLK TOD boundaries, MStation. Located in a transit-rich location, the complex provides a wealth of public transportation options, on-site services, green spaces, affordable utilities, an on-site daycare facility and a learning center. MLK Station Area’s Neighborhood Planning Areas: Chestnut and Rosewood, Upper Boggy Creek, and MLK Neighborhood.

Lamar/Justin Station Area Plan – The Lamar/Justin TOD district is located at the intersection of Justin Lane, Airport Blvd. and North Lamar Blvd. Austin Energy is a landowner of a property at Lamar/Airport that provides a possibility to meet the city’s goals for the station area, including housing affordability. Lamar/Justin Station Area’s Neighborhood Planning Areas: Crestview, Brentwood, and Highland Neighborhoods.

b) Incentive Programs Under Creation
In addition to the developer incentive programs already in place, there are two more that are in the process of being created in the City of Austin. These are the Downtown Density Bonus program and the East Riverside Corridor Density Bonus program.
Chapter 4: Local Objectives

1. **Downtown Density Bonus**
The City Council adopted Resolution 20051215-056, directing the City Manager in December 2005 to initiate the process of creating a Downtown Austin Plan. The City’s Planning and Development Review Department (PDR) is the lead department for the Downtown Austin Plan. The Downtown Austin Plan is an effort to capture and develop the community vision for Downtown and to create the best implementation strategy for achieving that vision. The City of Austin and its consulting team, led by McCann/Adams Studio, worked with citizens and Downtown stakeholders on a planning process that sets the direction for Downtown Austin for years to come. The Plan establishes action priorities for the next 10 years to ensure Downtown's long-term economic and social vibrancy and sustainability. It recommends more than 100 steps to make Downtown livable, walkable, connected, inclusive, affordable, culturally alive and economically strong - all while preserving its historic districts and authentic Austin character.

As part of the plan, there is a Downtown Density Bonus Program that includes an affordable housing component and allows developers and the community to equitably share the benefits of additional height and density. It is a city priority that Downtown Austin remains affordable for a diverse range of incomes and household types, including low to moderate-income households that make up much of the critical workforce employed Downtown. The Downtown Austin Plan was adopted with amendments by the Austin City Council in December 2011. The following fundamental principals have been established by the Downtown Austin Plan relating to Density Bonus Program.

1. Maintain existing height and density limits as a baseline with some adjustments based on the surrounding context.
2. Establish a Density Bonus Program that:
   a. Enables developers and the community to equitably share the benefits of additional height and density above the existing regulations.
   b. Is calibrated to ensure that developers are incentivized to use it.
   c. Replace the Central Urban Redevelopment (CURE) zoning process, which has been the primary mechanism used in the last 10 years for achieving additional height/density, with a process that can be administered primarily at the administrative/staff level.
   d. Is recalibrated when market conditions change, or at intervals of approximately five years.
3. Employ additional density incentives to achieve specific community objectives.
4. Establish specific scale-compatibility standards that are tailored to the Downtown context.
NHCD will continue to assist PDR staff and affordable housing advocates from the community to ensure implementation of the density bonus program in an effort to encourage affordable housing development for low- to moderate-income households.

2. **East Riverside Corridor (ERC) Development Bonus**

   East Riverside Drive is a highly traveled corridor located a few minutes from downtown Austin. The corridor presents a significant opportunity for redevelopment into a more sustainable, mixed use, transit-oriented neighborhood that can provide opportunities for a diverse range of Austinites, including low to moderate-income households. Currently, the City has moved into the Regulatory Planning stage of the East Riverside Corridor plan, which includes a Development Bonus program for more dense development in certain locations in the Corridor. Planning and Development Review Department (PDR) staff has worked with consultants, community stakeholders, and NHCD to develop this Development Bonus program. PDR released draft recommendations for the East Riverside Corridor (ERC) Development Bonus program. Local economic research firm Texas Perspectives conducted analysis that concluded that development bonus programs can help fulfill the overall community goal of sustainability and provide specific public benefits only if they are calibrated appropriately for market conditions such that participation in the program results in a decent rate of return for a developer. As part of the analysis for the ERC Development Bonus calibration, PDR consulted with both market rate developers and non-profit affordable housing providers. The analysis indicates that current demand and market rents in the East Riverside Corridor may support the construction of dense buildings under six stories, but are unlikely to support the construction of buildings taller than that in the near-to-mid-term, as the construction costs of taller buildings increase projects’ costs above what can be charged in rent. Because of the differing economics for shorter and taller buildings types, PDR recommends that the public benefit requirements be tailored for each type. The public benefit requirements identified in the draft ERC Development Bonus Program were calibrated for current market conditions, but should be re-calibrated when conditions change.

The draft development bonus recommendations are currently under public review. Following the public comment period, PDR will schedule a review of the complete ERC Regulating Plan, including the development bonus program, by relevant Planning Commission’s Committees, followed by Planning Commission and the City Council. To view the draft development bonus recommendations, please visit: www.austintexas.gov/eastriverside.

c) **Affordability Impact Statements (AIS)**

Chapter 25-1, Article 15 of the City of Austin’s S.M.A.R.T. Housing™ Ordinance requires an Affordability Impact Statement (AIS) on proposed ordinances, rules or processes that could impact housing affordability. As part of the S.M.A.R.T. Housing™ Ordinance, staff prepares an Affordability Impact Statement (AIS) for all proposed city code amendments, ordinances and other proposed changes to identify any potential impacts
on housing affordability. This analysis ensures that the City Council and the community are informed on an amendment’s potential impact on housing affordability. To date, the City of Austin has issued more than 150 Affordability Impact Statements (AIS).

d) Public/Private Partnerships
In FY 2012-13 the City will continue to explore partnerships with private entities to develop affordable housing. Partnerships with private developers can offer multiple public benefits, such as mixed-use, mixed-income developments, and increased density. Such partnerships can allow low-income households to locate near schools, amenities, employment opportunities, and public transportation.

*East 11th and 12th Streets Revitalization*
The East 11th and 12th Streets Revitalization Program focuses on redeveloping an area previously impacted by slum and blight to a sustained, improved and culturally rich area. The City of Austin and the Urban Renewal Agency have entered into a long-term agreement that identifies the roles and responsibilities of the two parties. This revitalization combines federal, local and private resources to improve the economic well-being and quality of life in the neighborhood. Public and private partnerships with businesses, financial, and non-profit entities are key to spurring quality investment, commercial development, and job creation throughout the East 11th and 12th Street Corridors. The City achieves this revitalization through activities including, but not limited to, land acquisition, demolition of dilapidated structures, relocation of displaced individuals/businesses, preservation of historic structures, redevelopment of abandoned and/or substandard structures, improvement of infrastructure, construction of new mixed-used facilities, and new community parking facilities to assist the businesses in the area.

The City of Austin retained a consultant to define a development strategy for the East 11th and 12th Street Corridors. The consultant worked with the City and area stakeholders to prepare the strategy that responds to the considerable opportunities and challenges facing development within these two corridors. The East 11th and 12th Streets Development Strategy was finalized on March 1, 2012, and provides recommendations on how to advance the redevelopment vision by identifying pathways to its successful implementation in the following main areas: Development Regulations, Infrastructure, Retail, Commercial and Housing Development Opportunities and Disposition of Public Land. The City along with the Urban Renewal Agency are considering the strategy recommendations. NHCD will develop a workplan with advisement by Urban Renewal Board (URB) to address recommendations identified in the strategy.

The City of Austin broke ground on the African American Cultural and Heritage Facility (AACHF) located at 912 East 11th Street, on June 17, 2011. The project includes a restoration of the historic Dedrick-Hamilton House as well as new construction and will serve as the flagship for the newly created African American Cultural Heritage District.
Robert Mueller Municipal Airport Redevelopment  A key public/private partnership for the City has been the Robert Mueller Municipal Airport Redevelopment (RMMA). The RMMA Master Plan was the result of years of planning by the City of Austin, stakeholders, and neighborhood residents. In 1996, a task force representing a broad spectrum of Austin interests defined a vision, as well as a set of redevelopment goals that set the stage for the RMMA master plan. The master plan outlines aggressive affordable housing requirements for the development. 25 percent of all housing units at Mueller, or approximately 1,200 units, will be affordable for residents earning at or below Austin’s MFI (80 percent for ownership and 60 percent for rental). In 2004, the City Council, directed Catellus, the master developer, to semi-annually report its progress on the Mueller affordable housing program. Catellus makes semi-annual presentations to the Community Development Commission (CDC). Resolution No. 041202-59 also directs Catellus to report progress of affordable housing development in the City’s Consolidated Planning process. Appendix XIII includes these reporting requirements with the inclusion of the Mueller Affordable Housing Plan and the current semi-annual update from May 2012.

City Redevelopment Efforts
The City will explore opportunities to provide and encourage development of affordable housing in other City redevelopment efforts. Initiatives underway include the redevelopment of East 11th and 12th Streets Revitalization, East Riverside Corridor Regulating Plan, and Airport Boulevard, and Green Water Treatment Plant.

Private Developer Agreements The City continues to negotiate the inclusion of affordable housing in developer agreements with market-rate developers. Development agreements have included Gables West Avenue (5 percent, or 13 units, at 80 percent MFI); Robertson Hill Apartments (10 percent, or 29 units, at 80 percent MFI); the Domain (10 percent, or 42 units, at 65 percent MFI); AMLI on 2nd (5 percent, or 12 units, at 80 percent MFI); AMLI on East Riverside (5 percent, or 3 units, at 80 percent MFI), and AMLI on Burnet Road (5 percent, or 9 units, at 80 percent MFI). These units must remain affordable through 2020. These projects have brought affordable housing into developments that would otherwise be unaffordable to low- and moderate-income households.
3) EXPAND ALTERNATE REVENUE SOURCES

a) General Obligation (G.O.) Bonds: Affordable Housing Program
The City of Austin voters approved a $55 million bond package for affordable housing in November 2006. These resources have enabled Austin to make great strides in addressing the City’s core values: reaching deeper levels of affordability in order to serve lower-income residents; preserving affordability for the long-term; and dispersing affordable housing geographically throughout the City of Austin.

As a result of this focus, NHCD has achieved greater geographic dispersion in the units it has funded in recent years. The City of Austin has achieved significant geographic dispersion in the units funded through the City’s General Obligation (G.O.) Bond funding. At the time of this report 2,431 total units have been created. This total also includes home rehabilitation. Out of the 2,431 units, 890 are located east of Interstate Highway (IH) 35 and 857 are located west of IH-35 – this does not include home rehabilitation units. The G.O. Bond funding has leveraged $189 million in private/public investment. A web site highlighting the committed G.O. Bonds allocated to affordable housing and the community’s Return On Investment (ROI) related to its G.O. 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. Summaries of all G.O. Bond projects can be found at the City’s Return On Investment (ROI) Web site: www.austintexas.gov/housing/roi. Exhibit 4.4 provides snapshot of the G.O. Bond balance as well as Austin’s return on investment related to rental and ownership opportunities.

Exhibit 4.4: G.O. Bond Snapshot

<table>
<thead>
<tr>
<th>Rental</th>
<th>Amount</th>
<th>Units</th>
<th>Leverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workforce/Family Housing</td>
<td>$11.2</td>
<td>529</td>
<td>$85.9</td>
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<tr>
<td>Very Low-Income Persons/Families</td>
<td>$19.6</td>
<td>733</td>
<td>$39.5</td>
</tr>
<tr>
<td>Persons with Mental Disabilities</td>
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<td>61</td>
<td>$1.2</td>
</tr>
<tr>
<td>Senior Housing</td>
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<td>108</td>
<td>$22.9</td>
</tr>
<tr>
<td>Children</td>
<td>$1.9</td>
<td>42</td>
<td>$1.4</td>
</tr>
<tr>
<td>Mobility Disability - ABR Program</td>
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<td>70</td>
<td>$0.0</td>
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<tr>
<td><strong>Subtotal – Rental</strong></td>
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<td><strong>1,543</strong></td>
<td><strong>$150.9M</strong></td>
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</tbody>
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<table>
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<tr>
<th>Homeownership</th>
<th>Amount</th>
<th>Units</th>
<th>Leverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>($5.4M – Repairs; $8.3M – Buyers)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal – Homeownership</strong></td>
<td><strong>$13.7</strong></td>
<td><strong>888</strong></td>
<td><strong>$31.5</strong></td>
</tr>
<tr>
<td><strong>Subtotal – Affordable Units</strong></td>
<td><strong>$53.5</strong></td>
<td><strong>2,431</strong></td>
<td><strong>$189.0</strong></td>
</tr>
<tr>
<td><strong>Total – All Units</strong></td>
<td></td>
<td><strong>3,255</strong></td>
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<tr>
<td><strong>Balance Remaining from $55M</strong></td>
<td><strong>$1.5</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
b) Tax Increment Financing
The City considers Tax Increment Financing (TIF) to be an important tool to create new revenue for public benefit, including affordable housing. During the Consolidated Plan period, the City will continue to explore opportunities to use TIFs to increase opportunities for new funding for affordable housing. The Homestead Preservation District (HPD) proposes to utilize TIF funding for the creation and preservation of affordable housing.

c) Housing Trust Fund
The Housing Trust Fund (HTF) is another key source of local funding. The City Council directed $8.8 million in local funds to the HTF since 2000. The City dedicates to this fund 40 percent of 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 HTF. The two projects underway that will potentially support the HTF are the Green Water Treatment Plant redevelopment and Block 21 located in downtown Austin on 2nd Street and Lavaca Street. The estimated HTF for FY 2012-13 is $609,000.

d) Shared Equity
The City will generate funds from the use of the shared equity model of homeownership. When a low- to moderate-income homebuyer purchases a home from the City using the shared equity model, the homeowner agrees to share with a City a portion of the equity increase of the home at resale and to repay the Down Payment Assistance funds originally received at purchase. The homeowner gets a fair return on its investment, and the funds generated will assist future low- to moderate-income homebuyers. A “Right of First Refusal” allows NHCD the first option to buy the home at resale for the appraised value.

AHFC programs that apply the shared equity model include: Down Payment Assistance Program (DPA), Home Rehabilitation Loan Program (HRLP), and the Acquisition and Development (A&D) Program.

e) Fee-In-Lieu
Several key developer incentive programs in the City of Austin require development of affordable housing in exchange for density and/or height bonuses. These programs can allow for the payment of a fee-in-lieu of the requirement to develop affordable housing on-site.

Current districts/corridors allow for density incentives in S.M.A.R.T. Housing™ developments, Vertical Mixed-Use, Downtown, North Burnet/ Gateway, University Neighborhood Overlay (UNO) District, and Transit-Oriented Developments (TODs). UNO has raised approximately $1 million in funds for affordable housing development around the University of Texas. While the UNO program has been relatively successful in creating affordable units and generating funds for the Housing Trust Fund, it also has a relatively low fee-in-lieu compared to other density bonus programs in the city. In December, 2009, the City Council directed the City Manager through Resolution No. 20091210-044 to work with stakeholders to make recommendations on a potential
revision to the calculation of the fee in-lieu and initiate the necessary code amendments. For more information on UNO, view page 4-12.

f) Revolving Loans
The City uses revolving loans for several loan programs that provide a revolving funding source. When a loan is repaid by the borrower, the funds are recycled back into the program creating a fiscally responsible model for asset creation for the City.

g) Program Income
HUD entitlement grants CDBG and HOME provide funding to the NHCD/AHFC to fund program activities that create and retain affordable housing. These activities generate Program Income.

CDBG and HOME Program Income is gross revenue received by the City of Austin that is directly generated by the use of CDBG and HOME funds. CDBG Program Income is available to activities that do not have established revolving loan funds. The City of Austin will continue in FY 2012-13 to report all Program Income received and used in future reports to HUD.

h) Revenue-Generating Partnerships with other City Departments
As part of the Austin Clean Water Program, the Austin Water Utility tests for deficient sewer lines including private laterals. Property owners are required to repair deficient sewer lines on private property. In FY 2012-13, NHCD and Austin Water Utility (AWU) will continue its partnership in the administration of the private lateral repair program to assist income-eligible households with these repairs as a component of NHCD's other home repair programs.

i) New Funding Sources
NHCD has and will continue to increase its efforts to apply for competitive grant opportunities to increase its financial capacity to support mission-driven programs. Through additional grant funding, NHCD will be able to expand offerings for very-low to moderate-income individuals and households and persons with disabilities. As of May 1, 2012, the City has applied or plans to apply for the following grants:

- **Healthy Homes Production Grant**
The City of Austin plans to apply for the Healthy Homes Production Program grant funding through the U.S. Department of Housing and Urban Development, Office of Healthy Homes and Lead Hazard Control. The Healthy Homes Production Program (HHP) is part of HUD’s overall Healthy Homes Initiative launched in 1999. The program takes a comprehensive approach to addressing multiple childhood diseases and injuries in the home by focusing on housing-related hazards in a coordinated fashion, rather than addressing a single hazard at a time. The program builds upon HUD’s successful Lead Hazard Control programs to expand the Department’s efforts to address a variety of high-priority environmental health and safety hazards. Authorization to apply for a FY 2012 grant award will benefit vulnerable residents (children, persons with disabilities, and the elderly) from housing-related environmental health and safety hazards and promote housing that is healthy, safe, affordable and accessible. Health hazards include lead exposure sources for children with elevated
lead blood levels, non-working smoke alarms and carbon monoxide detectors, mold, dust mites and pest infestations.

- **HUD Counseling Agency Certification**
  The City applied in 2012 to become a HUD-certified Housing Counseling Agency. By becoming certified, the City has the opportunity to apply for additional funding that is specifically designated for certified agencies. The certification and potential funding will assist the City in furthering its financial and workforce capacity to provide expansive housing counseling services to low- and moderate-income households. Currently, the City’s Housing Smarts Program offers housing counseling to City of Austin residents who earn at or below 80 percent of MFI. Counseling is offered in English and Spanish. The course consists of two classroom curricula: pre-purchase and post-purchase. The pre-purchase counseling that provides financial literacy skills such as budgeting and credit, and mortgage finance; and the post-purchase class provides foreclosure prevention counseling to homeowners who may find themselves at risk of losing their homes.

- **Texas Department of Housing and Community Affairs (TDHCA) Reservation Funds**

  **Amy Young Architectural Barrier Removal Program**
  The Texas Department of Housing and Community Affairs (TDHCA) has begun issuing grant-like reimbursements for specific fields of work, including Homeowner Rehabilitation Assistance, Tenant Based Rental Assistance (TBRA), Homebuyer Assistance and Architectural Barrier Removal Programs, providing assistance to persons with disabilities. In order to be eligible for the reimbursements, the Austin Housing Finance Corporation (AHFC) applied in 2012 to utilize TDHCA’s reservation systems. AHFC will be able to reserve and draw down reimbursement funds for a set amount of time, or until the funding has been depleted at the State level.

  **HOME Investment Partnership Program for Persons with Disabilities Program**
  The HOME Investment Partnerships Program provides one-time reimbursements for qualified projects. AHFC intends to utilize the reservation fund in its Homeowner Rehabilitation Assistance program. The funding available to AHFC is specific to projects for persons with disabilities (PWD). TDHCA uses an online reservation system, in which grant recipients reserve and draw Project Costs and Administration Fees and track the status of the Program activities. Funds are available on a first come, first serve basis. The Program funds are replenished on an annual basis dependent on State budget availability. Program funds are available until completely reserved.

- **Texas Neighborhood Stabilization Program (NSP1-PI)**
  On April 12, 2012, the City of Austin received conditional approval for funding through TDHCA’s Neighborhood Stabilization Program-Program Income(NSP1-PI). NSP1-PI was established under the Housing and Economic Recovery Act of 2008. AHFC will use the funding to develop two separate tracts of City-owned property into affordable homeownership opportunities. The City requested $650,000 to construct four new single-family homes on Astor Place and $1 million to construct eight new single-family
homes on Linden Street and Goodwin Avenue and plans to begin construction during FY 2012-13.

- **Living Cities’ Cities for Financial Empowerment Fund**
The City of Austin anticipates applying for the Living Cities’ for Financial Empowerment grand funding. Bloomberg Philanthropies has partnered with the national organizations Living Cities to offer a 3-year grant to recreate the financial empowerment model used in New York City. This model offers free, professional, one-on-one financial counseling and education to low-income residents at Financial Empowerment Centers. If awarded, the City of Austin would collaborate with non-profit financial empowerment and educational programs to create Financial Empowerment Centers in Austin.

**j) Build Partnerships to Increase Financial Capacity for Affordable Housing**
The City will continue to work with local, regional and national partners to build its financial capacity as well as the capacity of non-profit and private developers to create affordable housing. This will include working with lenders and foundations to strengthen financial partnerships and encouraging the development of a strong Community Development Financial Institution (CDFI) in Austin. The City will continue to look at financially viable recommendations including those identified in the Housing Market Study and in the Downtown Affordable Housing Strategy Report, 2009.

In March of 2011, the City Council adopted the City of Austin Permanent Supportive Housing Strategy as a working document and authorized the City Manager to facilitate a partnership through the Leadership Committee on Supportive Housing Finance to recommend a comprehensive public and private financing strategy for the City Council to consider outlining financing strategies and recommendations for the capital, rental subsidies and social services needed to create and sustain 350 units of PSH. This committee is comprised of many local funders including the City, Travis County, the two local housing authorities, Central Health, Seton, and other local non-profit health and service providers.
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4) PROVIDE LEADERSHIP AND EDUCATION FOR AFFORDABLE HOUSING AND COMMUNITY DEVELOPMENT

The City of Austin’s Neighborhood Housing and Community Development (NHCD) Office provides leadership and education for affordable housing and community development through City initiatives, education, community engagement, and marketing and outreach of programs that NHCD offers.

a) City of Austin Initiatives

Imagine Austin Comprehensive Plan

The 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, which the City currently operates, was adopted in 1979. The most recent updates to the plan occurred in 2008.

The process of developing the City’s Imagine Austin Comprehensive Plan been divided into three phases: the Plan Kickoff, completed in October 2009; the Vision and Plan Framework process, which began in November 2009 and is on-going; and the Comprehensive Plan itself, which began in early 2011. This process focused on three key themes: Community Engagement, Sustainability, and Implementation.

To date, the City, in collaboration with the community and key stakeholders, has developed a unified vision statement, as well a preferred growth scenario. The City Council has formally endorsed the vision statement, and has moved the preferred growth scenario forward for Phase III of the Imagine Austin planning process. The City’s Planning and Development Review (PDR) Department has continued efforts related to Phase III in FY 2011-12. For Phase III, staff at PDR has identified 7 main building blocks that will be addressed in the Comprehensive Plan document. For each building block, a set of strategies and action items have been developed using feedback from past public meetings and recommendations from the consultants. Housing and Neighborhoods was identified as the second building block and covers housing and neighborhoods in Austin, including issues related to affordable housing, services, demographics, mix of uses, character, and preservation. NHCD’s Planning, Policy, and Outreach staff has served as members of the Housing and Neighborhoods Building Block Working Group, and regularly attended meetings to provide input on any action items needed to address Austin’s critical housing issues.

The overall goal of the Housing and Neighborhood component is to develop and maintain affordable household affordability throughout Austin. NHCD is lead in implementing the Housing and Neighborhoods component and will partner PDR, Austin/Travis County Health and Human Services Department (HHSD), Economic Growth and Redevelopment Services Office (EGRSO), Travis County, Austin
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Independent School District (AIDS), Capital Area Council of Governments, Capital Area Metropolitan Planning Organization, Capital Area Transportation Authority, Community Action Network (CAN), and Housing Authority of the City of Austin (HACA) as implementation of the Imagine Austin Comprehensive Plan moves forward. To view the Housing and Neighborhood component, visit Appendix XII.

The Austin City Council will conduct a public hearing and possibly take action on June 14, 2012, to hear and consider feedback on the Imagine Austin Comprehensive Plan.

Mobility Deterrence Task Force
In April 2009, the City, Travis County and Austin Independent School District (AISD) Joint Subcommittee created two work groups to address major issues affecting student success. The Truancy Plus and Student Mobility work groups focused on causes of student attendance problems, and developed strategies for student and family interventions. NHCD participated in the Student Mobility working group with the recognition that the issues of affordable housing and student mobility are inextricably linked.

In 2010, the Joint Subcommittee passed a resolution creating a new Child and Youth Leadership Council to work on a plan to ensure that all children attending Austin Independent School District (AISD) successfully complete high school. The Leadership Council, created by the three agencies, established four task forces with the intent to provide recommendations in advance of the 2011-12 academic year. These task forces are: Mobility Deterrence, Judicial Supports, Workforce Development, and Academics.

NHCD will continue participating in the Mobility Deterrence Task Force and will work with partners in this arena to develop recommendations that can assist in achieving housing stability in order to strengthen families and improve student achievement and overall school performance.

b) Education and Community Engagement

Colony Park Sustainable Communities Initiative
The Colony Park Sustainable Communities Initiative community engagement process will include targeted outreach to underserved populations. While innovative community engagement methods such as social media and interactive meeting technology may be considered for specific engagement objectives, the overall public engagement strategy will focus on obtaining public feedback and creating buy-in with key stakeholder groups in the Colony Park area through face-to-face interaction in settings with existing constituencies, such as neighborhood association meetings, religious events, and business organizations. NHCD will also utilize print advertisements published in English and Spanish print and multi-media promotional materials.

Dissemination of policy lessons learned during the planning process to the public, including policymakers, other regional consortia, and interested community advocates and leaders, will be provided through a variety of methods. The Master Plan public engagement process targeted at Colony Park area residents will include opportunities to disseminate best practice techniques, data collection methods implemented on-site,
and other policy lessons learned through the project. In addition, NHCD has designated a graduate-level intern over the 3-year grant period, who will work closely with Colony Park staff to study best practices for sustainability techniques, and perform data analysis on collected output measures. This will result in at least one research study, and a report, which will be posted on the NHCD Colony Park webpage. For more information on the Colony Park Sustainable Communities Initiative, visit page 4-34.

**Community Action Network (CAN) Regional Housing Stakeholder Group**

The Community Action Network (CAN) developed a Regional Housing Stakeholder Group comprised of several local agencies and regional municipalities to collaborate educate and explore opportunities to enhance local affordable housing planning efforts and incorporate this planning initiative into the CAN framework. NHCD supports CAN’s efforts to increase interagency partnership with the intent of improving housing affordability across the housing continuum and enhancing coordination and communication across governmental jurisdictions.

**FY 2012-13 Action Plan**

NHCD’s Planning, Policy and Outreach staff worked closely with the City’s Corporate Public Information Office to develop an extensive community engagement and outreach strategy with the intent to increase awareness of the community needs assessment period, gain interest and increase public participation. The collaborative efforts of NHCD and CPIO resulted in the development of a FY 2012-13 Action Plan website, an online survey for the public to rank their priorities, the design and implementation of various marketing and promotional materials highlighting ways to participate. The theme for the community needs assessment period was, “6 Ways to Take Action” - which provided a variety of channels for the community to participate. For more information on the community needs assessment period and NHCD’s “6 Ways to Take Action” flyer, visit Chapter 1. Exhibit 4.5 displays the logo used to launch the City’s FY 2012-13 Action Plan process.

**Exhibit 4.5 FY 2012-13 Action Plan**
Joint Planning & Education Efforts
NHCD works closely with the Planning Development and Review (PDR) Department’s planning team to participate in neighborhood plan meetings and facilitate affordable housing education. Collaborative efforts with PDR in FY 2012-13, will be related to the following areas: East Riverside Corridor Regulatory Plan, Imagine Austin Comprehensive Plan, Neighborhood Plans, and meetings with various boards, commissions and subcommittees to promote affordable housing education.

These initiatives will require significant continued education and outreach on crucial housing issues affecting the Austin community. NHCD anticipates assisting in this educational effort, including providing data and research to help the community reach housing goals and strategies for achieving those goals.

Media and Outreach Contacts
NHCD will continue to utilize its web site as a key educational tool receiving more than 52,000 unique page views annually, and over 100,000 page views overall to the NHCD/AHFC site for housing and community development information. NHCD Housing Information Referral services offers customers responsive information to direct inquires made by phone and the web site. This service is essential in providing ongoing outreach and information about housing and community development programs.

NHCD also has a listserv that it uses to send out updates on all affordable housing news in the City of Austin, as well as notices about public meetings and events. There are currently over 1,149 people signed up on the NHCD listserve to receive NHCD information distributed regularly by the City.

NHCD Web Site
The City of Austin recently released the redesign of its web site. The Austin Government Online (GO): A New Era of Open Government – a web site redesign project that was launched in partnership with the community to help achieve a new standard for open government that would benefit everyone. The City issued an online survey taken by almost 2,000 Austin residents. The survey measured how the average Austinite uses the web and how they use the City web site in particular. Six town hall meetings were held throughout Austin during January and February 2008. With high attendance, the town hall meetings served as an opportunity for an open discussion about the future of the City’s web site, needs and share ideas on features that could be incorporated into the redesign. For additional information on the Austin GO Web Redesign Project, visit www.austintexas.gov/austingo.

NHCD staff worked closely with the City’s web development team in FY 2011-12 to complete its departmental web site overhaul that will improve its online architect and build on its resources and user-friendly navigation. NHCD/AHFC’s Application Center web site was launched in FY 2010-11 to offer potential clients and housing developers seeking funding an online application submission. The web site was created to provide a more efficient and simplified application process. The effort was also intended to increase transparency on the funding awarded to RHDA and A&D applications. All RHDA and A&D applications submissions are posted online. To view projects awarded funding, visit www.austintexas.gov/housing/applications.
For FY 2012-13 NHCD recommends continuing investment and efforts in technology through mobile devices and a web portal to allow customers and businesses to apply for programs/services electronically and provide the most current information about NHCD business and practices.

**Permanent Supportive Housing Community Engagement Plan**

In January 2011, City Council requested that the City Manager offer an overview of the “best practices from other cities on engaging communities and building support for permanent supportive housing projects.” The resulting presentation, offered to the Comprehensive Planning and Transportation Subcommittee on March 7, 2011, outlined strategies for a Community Engagement Plan to inform and involve stakeholders.

The PSH Community Engagement Plan is a comprehensive strategy developed by City of Austin staff in collaboration with ECHO. To view PSH community engagement goals and objectives, visit page 4-9.

**Technical Assistance Work Sessions**

As part of the strategy to create and retain affordable housing the NHCD/AHFC development team provides ongoing technical assistance to non-profits and for-profit developers as needed. Each year, more than 100 face-to-face meetings, as well as responses to numerous phone calls and e-mails give NHCD/AHFC development staff the opportunity to assist and inform current and potential funding applicants about various aspects of affordable housing development. Assistance can be provided at any stage in a project life cycle: pre-application, during development, and in post-development. Just a few examples of the types of assistance provided are: how the requirements of different funding sources may affect a project; complying with federal requirements; assistance with City of Austin development regulations and processes; and suggestions for alternate fund sources.

d) **Partnerships and Community Involvement**

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 engaging with the following Boards and Commissions, community organizations and working groups in FY 2012-13:

**Boards and Commissions**

**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 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. NHCD will continue to support the AARAC in
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FY 2012-13 as they continue to move forward with their efforts in improving quality of life for the African American community.

*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.

*Bond Oversight Committee*
The Bond Oversight Committee ensure efficiency, equity, timeliness, and accountability in the implementation of the 2006 and 2010 bond programs, as well as all future bond programs. The committee shall review the annual appropriation and spending plan of bond funds.

*Community Development Commission*
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. The CDC is comprised of 15 members; seven members are elected through a neighborhood-based process and are appointed by the Austin City Council. The CDC also oversees the Community Services Block Grant (CSBG) program managed by HHSD. CSBG regulations require 15 members including representatives from geographic target areas: Colony Park, Dove Springs, East Austin, Montopolis, Rosewood-Zaragosa/Blackland, St. Johns, and South Austin.

*Community Development Commission Housing Committee*
The CDC established a CDC Housing Committee that explores in depth policy issues related to affordable housing, community development and other issues as assigned to the committee by the CDC.

*Community Development Commission Working Groups*
Working Groups were established by Council as a tool for Boards and Commissions to use to delve into specific policy issues. Working Groups then bring recommendations to the full Board or Commission for consideration. These Groups are intended to be short-term, organized around specific charges and dissolve after the charges are completed. Working Groups may also have members who are not Commissioners. NHCD will continue to coordinate with the current active Working Groups to address affordable housing and community development needs in FY 2012-13.

- Neighborhood Centers Working Group – Charged to 1) review and make recommendations to the CDC on the 2012 CSBG Community Action Plan, and 2) discuss and make recommendations on Food Desert Solutions.
- Holly Working Group – Charged to 1) discuss future funding of Holly program and how funds could be reallocated, and 2) discuss how to educated residents about program. NHCD is currently reviewing the Holly Good Neighbor program and
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plans to hold a stakeholder meeting in September 2012 to discuss potentially revising program guidelines, processes and funding options.

- Affordable Housing Siting Policy Working Group – Charged to 1) review the City’s current affordable housing siting policies and options for new approaches. 2) create an evaluation matrix/tool to assess the feasibility of various affordable housing siting policy approaches, and 3) make recommendations for the Action Plan chapter on the Affordable Housing Siting Policy.

To view a comprehensive list of Working Group members, visit Appendix IX.

Housing Bond Review Committee
The purpose of the Housing Bond Review Committee (HBRC) is to review and provide recommendations concerning RHDA and A&D project evaluation scoring criteria, to provide recommendations for project funding. HBRC is comprised of five members - two members shall be current Community Development Commissioners appointed by the CDC and three members shall be appointed by NHCD.

Bond Election Advisory Task Force
The purpose of the Bond Election Advisory Task Force is to identify and prioritize bond funding for projects that will advance the vision identified by the Imagine Austin planning process. The task force shall work within the scope of a needs assessment and funding priorities to be recommended by City staff.

Early Childhood Council
The Early Childhood Council (ECC) makes recommendations to the Austin City Council for the creation, development and implementation of programs that promote optimal development for young children and programs and activities that contribute to the continued development of a system of high-quality early care and education and after-school programs for Austin children. Staff will maintain communications and consultations with the ECC to ensure the committee has the opportunity to provide feedback on progress on NHCD programs and initiatives.

Urban Renewal Board
The Urban Renewal Board (URB), which oversees the Urban Renewal Agency’s functions, is comprised of seven members appointed by the Mayor, with consent of the Austin City Council. The Urban Renewal Board 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 Resolution No. 971119-34 on November 19, 1997, declaring the East 11th and 12th Streets Revitalization Area to be a slum and blighted area and designated this area appropriate for an urban renewal project. Subsequently, the Austin City Council approved an Urban Renewal Plan. The City of Austin and the Urban Renewal Agency, in the shared interest of completing the Urban Renewal Project, have entered into an agreement which identifies each party’s roles and responsibilities for the completion of the revitalization for these two corridors.
Community Organizations

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 supports 12 Issue Area Groups (IAGs) that range from housing, health, and elderly services to workforce development. 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 3,500 community contacts, which is a key resource for NHCD’s outreach efforts to provide information to the public, community non-profits and small businesses.

NHCD will continue to collaborate with CAN and several agencies to move forward in participating in the Regional Housing Stakeholders Group in FY 2012-13. CAN is working with the City of Austin, 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. NHCD will begin conversations and planning efforts in FY 2012-13 with the above mentioned agencies to prepare for the City’s FY 2014-19 Consolidated Plan.

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 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.

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 (CoC) 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 and working groups, housing working group, education and outreach working group, and Membership Council. City staff also serves as institutional members on the CoC Independent Review Team, which evaluates and scores local CoC applications.
Austin Housing Repair Coalition
The Austin Housing Repair Coalition is a collaboration of more than 17 governmental and non-profit organizations that provide low-income housing repair services. The Housing Repair Coalition helps maximize the community’s resources by coordinating the delivery of an array of housing repair and weatherization services to help low-income households who may also be elderly or disabled remain safely in their homes. For the FY 2012-13 Action Plan community needs assessment, NHCD hosted a community conversation focused on “Healthy Homes & Home Repair,” inviting the Housing Repair Coalition and its members to provide feedback on home repair services to help keep residents’ homes hazard-free and accessible. As a result, these services create healthier homes and preserve the affordable housing stock in Austin. For more information on healthy homes and home repair, visit page 4-39.

HousingWorks
HousingWorks is a non-profit organization whose goal is 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.

National Association of Local Housing Finance Agencies (NALHFA)
NALHFA, founded in 1982, is the national association of professionals working to finance affordable housing in the broader community development context at the local level. NALHFA is a supporter before federal agencies on legislative and regulatory issues affecting affordable housing and provides technical assistance and educational opportunities. In FY 2012-13, NHCD will maintain its membership with NALHFA.

Texas Association of Local Housing Finance Agencies (TALHFA)
The City of Austin maintains its membership with TALHFA, a 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 professionals in all areas of affordable housing.
5) PROMOTE SUSTAINABLE PRACTICES

“A sustainable community is one that has more housing and transportation choices, helps people live closer to jobs, shops and schools, is more energy independent and helps protect clean air and water.” - *U.S. HUD-DOT-EPA Partnership for Sustainable Communities*

The City of Austin launched its Office of Sustainability in September 2010. The objective of the office is to assist in aligning and connecting “green” initiatives, opportunities and programs across City’s departments and the city at large. The Office defines sustainability as finding a balance among three sets of goals: 1) prosperity and jobs, 2) conservation and the environment, and 3) community health, equity and cultural vitality. It means taking positive, proactive steps to protect quality of life now, and for future generations. Exhibit 4.6 displays the three sets of goals. Over time, the Office will incorporate the pillars of sustainability in the categories of its economy, environment and social equity. The concept of city shaping and mobility is an additional critical consideration related to sustainability.

Exhibit 4.6: Sustainability Balance

In addition, the Sustainability Office has begun a new initiative in rethinking how Austinites live, work and play – to help secure Austin’s sustainable future; the Sustainable Office is taking coordinated action in 10 areas displayed in Exhibit 4.7. For the Sustainability Action Agenda, the City tracks and reports on citywide progress as City departments move forward with projects. The goal is to advance local sustainability and climate action by providing leadership and coordination for initiatives across the City organization on and Austin Community.
The concept of sustainability is not new to NHCD. Energy efficiency, green building, and transit-oriented housing initiatives have long been incorporated into the spectrum of NHCD’s housing activities, and low- and moderate-income households have for years enjoyed benefits of such efforts, including lower utility bills, healthier home environments, increased mobility and reduced transportation costs. With the advent of the City’s Sustainability Office, NHCD is committed to building upon previous efforts to improve and further refine NHCD’s business models to achieve sustainability outcomes. NHCD is dedicated to being a local and national green business leader in the fields of affordable housing and community development. This section provides descriptions of initiatives that promote the City’s sustainability balance.

**Colony Park Sustainable Communities Initiative**

HUD’s 2011 Sustainable Communities Grant fosters reform and reduces barriers to achieving affordable, economically vital, and sustainable communities. Such efforts may include amending or replacing local master plans, zoning codes, and building codes, either on a jurisdiction-wide basis or in a specific neighborhood, district, corridor, or sector to promote mixed-use development, affordable housing, the reuse of older buildings and structures for new purposes, and similar activities with the goal of promoting sustainability at the local or neighborhood level. This grant program also supports the development of affordable housing through the development and adoption of inclusionary zoning ordinances and other activities to support planning implementation.

The City of Austin was awarded a $3 million 2011 Sustainable Communities Grant in November 2011, to be used as a 3-year planning grant for the Colony Park Sustainable Communities Initiative. This proposed Master Planned; 208-acre development will
incorporate best practice strategies for energy-efficient building design, water conservation and zero waste technology and standards to create a model sustainable and livable mixed-use, mixed-income community in East Austin. The project will include completion of a Master Plan, resulting in rezoning; engineering for subdivision and site planning for review and approval by the City of Austin; infrastructure construction plans and architectural design and plans for new sustainable residential and commercial development. Through its outright ownership of this 208-acre tract of land, the City of Austin is in a unique position to mold this pilot project to be completely responsive to the Challenge Grant livability principles and to promote the community vision.

The project will be led by NHCD, in partnership with AFHC and other City departments. AHFC intends to serve as developer of the site and as builder for a portion of the housing. Partners include the City of Austin Sustainability Office, Austin Energy/Austin Energy Green Building, Austin Resource Recovery, Austin Water Utility, Economic Growth and Redevelopment Services Office (EGRSO), Planning & Development Review Department, Austin/Travis County Health and Human Services Department (HHSD), Pecan Street, Inc., Capital Area Texas Sustainability Consortium (CATS), and the Capital Metropolitan Transportation Authority.

The initiative has three overarching draft outcomes:

1. Further land-use planning and development of 208 acres of publicly-owned land at Colony Park inspired by the U.S. Department of Housing and Urban Development (HUD) Livability Principles.
2. Foster cross-department/agency coordination and create successful models of comprehensive systems change to support sustainable and equitable development.
3. Support capacity building and community transformation goals of Colony Park area residents and stakeholders.

Activities conducted in grant year 1 will focus on establish clear channels of communication with area residents and stakeholders, building capacity and breadth of project team, assessing opportunities and constraints of proposed development, and determining a shared vision of the proposed development based on local interpretation of the HUD Livability Principles.

**HUD Livability Principles**

On June 16, 2009, the U.S. Environmental Protection Agency (EPA) joined with HUD and the U. S. Department of Transportation (DOT) to help improve access to affordable housing, more transportation options, and lower transportation costs while protecting the environment in communities nationwide. Through a set of guiding livability principles and a partnership agreement that will guide the agencies' efforts, this partnership will coordinate federal housing, transportation, and other infrastructure investments to protect the environment, promote equitable development, and help to address the challenges of climate change.
1. **Provide more transportation choices**
   Develop safe, reliable, and economical transportation choices to decrease household transportation costs, reduce our nation's dependence on foreign oil, improve air quality, reduce greenhouse gas emissions, and promote public health.

2. **Promote equitable, affordable housing**
   Expand location- and energy-efficient housing choices for people of all ages, incomes, races, and ethnicities to increase mobility and lower the combined cost of housing and transportation.

3. **Enhance economic competitiveness**
   Improve economic competitiveness through reliable and timely access to employment centers, educational opportunities, services and other basic needs by workers, as well as expanded business access to markets.

4. **Support existing communities**
   Target federal funding toward existing communities—through strategies like transit-oriented development, mixed-use development, and land recycling—to increase community revitalization and the efficiency of public works investments and safeguard rural landscapes.

5. **Coordinate and leverage federal policies and investment**
   Align federal policies and funding to remove barriers to collaboration, leverage funding, and increase the accountability and effectiveness of all levels of government to plan for future growth, including making smart energy choices such as locally generated renewable energy.

6. **Value communities and neighborhoods**
   Enhance the unique characteristics of all communities by investing in healthy, safe, and walkable neighborhoods—rural, urban, or suburban.

The City of Austin recognizes the importance of these guiding principles and with the award of the 2011 HUD Sustainable Communities Challenge Grant, the City is committed to building upon its existing efforts to improve and further refine practices and incorporate these six values in its Colony Park Sustainable Communities project.

**Financial Empowerment**

The City of Austin believes that by investing in its residents, local businesses and innovations, the entire community can begin to cultivate its own prosperity. Economic sustainability is based on a thriving regional economy that emphasizes green business leadership, clean technology, and expanding opportunity for all. The core concepts derived from the Sustainability Balance include:

- Promote prosperity, job growth, and affordable housing at all levels in the community,
- Support local businesses and buying local to benefit our economy, and
- Encourage creativity, resiliency, innovation, and collaboration.
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As a sign of the City’s commitment to financial empowerment activities, the Austin City Council has supported three recent initiatives to overcome critical areas related to financial empowerment.

1. **Business Regulation and Permit Requirements**
   August 18, 2010: Austin City Council amended Title 4 (Business Regulation and Permit Requirements) of the City Code. The purpose of this chapter is to protect the welfare of the citizens of the City by monitoring credit access businesses in an effort to reduce abusive and predatory lending practices. The amendment provides a penalty up to $500 for each offense performed by businesses.

2. **Pay Day Lending**
   August 18, 2010: The City of Austin is concerned about the harmful effects of alternative financial service business practices, including payday lenders and auto title lenders statewide, and particularly in Austin. To address such concerns, the City Council approved a resolution initiating code amendments to City Code Title 25 (Land Development Code) and directing the City Manager to process code amendments to regulate the location and use of buildings and land for alternative financial services businesses. This regulation would deconcentrate and potentially decrease the negative effects of having multiple check cashing, payday loan, and car title loan businesses in close proximity to one another.

3. **Bank On Central Texas Program**
   September 30, 2010: Austin City Council passed a resolution directing the City to participate in a Bank On Central Texas Employer Campaign (BOCT). BOCT was launched by the United Way Capital Area and PeopleFund to provide the following resources to the under-banked or unbanked: access to mainstream financial products and services, financial empowerment programs, and resources to build personal financial capacity. In this initiative, City efforts include working with employees to identify individual barriers to receiving an electronic paycheck, and where appropriate, offer financial coaching and identify financial products through the BOCT program that may benefit the employee. To date, approximately 95 percent of City employees have gone to paperless paychecks.

At the department level, NHCD’s mission is to provide critical services, such as homebuyer education, homeowner foreclosure prevention education, financial planning, and job creation, to eligible residents so that they have greater opportunity for reaching self-sufficiency. NHCD’s Investment Plan offers over 30 programs that provide necessary services that financially empower Austin residents.

In May 2011, the City of Austin applied for federal grant funding through the U.S. Department of Health and Human Services, Administration for Children and Families for a National Assets for Independence (AFI) demonstration grant establishing Individual Development Accounts (IDA) in May 2011. NHCD received notification in April 2012 that the City of Austin was awarded $250,000 for IDAs. IDAs are special savings accounts designed to assist low-income individuals and families move toward asset ownership through matched savings and financial education. An IDA can be used to buy a first home, pay for college or other training, and start or expand a small business. Participants receive financial training and coaching on family budgeting, consumer
issues, debt and credit counseling, using mainstream financial products, accessing refundable tax credits, and accessing other benefits and services. The goal of the demonstration grant is to learn about the extent to which this approach enables individuals and families with low incomes to become financially stable over the long term. NHCD will use these funds to administer projects that provide IDAs and related services to low-income individuals and families. Because the participants’ deposits are matched, the account can grow substantially in proportion to the amount deposited on a regular basis.

In February 2012, NHCD staff joined other municipalities and national leaders in the National League of Cities’ Youth, Education and Families Institute’s (YEF) Municipal Financial Empowerment Strategy Session. To continue advancing a dialogue among local officials about how to empower families financially in communities with varying political, economic and financial climates, the YEF Institute convened representatives from 19 cities for a two-day strategy session in San Francisco. Cities attending the conference embraced specific strategies that representatives could initiate upon returning home, such as incorporating one-on-one financial counseling into financial education programs, establishing children’s savings accounts and identifying new partnerships to offer peer-to-peer, no-cost, credit-building loan programs as an alternative emergency source of funding for families who rely on payday lenders, pawn shops and other predatory outlets. City representatives and national leaders shared their expertise on a variety of topics ranging from data collection and evaluation to new partnership strategies. Participants agreed on the importance of stronger, more aligned partnerships, dedicated capacity to support a financial empowerment agenda and service integration strategies to make a greater impact on the lives of residents who are struggling to make ends meet.

For the FY 2012-13 Action Plan and in preparation of the FY 2014-19 Consolidated Plan, NHCD hosted a series of three Community Conversations focusing on key areas that would bring together Austin residents, stakeholders, and City leaders to share ideas on how the City can move forward and gather feedback. On March 30, 2012, NHCD hosted the Financial Empowerment in Austin! community conversation. The event brought together 32 people representing 20 local agencies whose mission and efforts are dedicated to promoting financial empowerment and offering financial educational tools to individuals seeking assistance for personal or professional growth. The Financial Empowerment in Austin! conversation marked the first in many conversations that NHCD would like to have on this nation-wide movement in increasing the importance of financial empowerment has within the community. NHCD looks forward to continued communications with its local partners and future meetings focusing on this topic in FY 2012-13.

NHCD has also begun collaborative efforts with the Austin City Council, Foundation Communities, and United Way Capital Area, in April 2012 in preparation of the Living Cities’ for Financial Empowerment funding application. On April 11, 2012, Living Cities and Bloomberg Philanthropies announced an exciting new development in the municipal financial empowerment field: the launch of the Cities for Financial Empowerment Fund at Living Cities (CFE Fund). The CFE is a 3-year grant that recreates the financial empowerment model used by New York City and will help local governments identify, develop, fund, implement, and research pilots and programs that
increase people’s financial stability. This model offers free, professional, one-on-one financial counseling and education to low-income residents at Financial Empowerment Centers. If awarded, the NHCD would collaborate with non-profit financial empowerment and educational programs to create Financial Empowerment Centers in Austin.

The City of Austin understands that more than ever, municipal leaders are playing key roles in ensuring access to low or no-cost banking services, financial education, anti-predatory lending resources, free tax preparation services, free credit counseling and other supports for families who operate on the fringe of an increasingly complex financial system.

**Healthy Homes and Home Repair**

In order to sustain Austin’s quality of life, the City must promote community health and a shared sense of vitality. Social equity is a value for the City of Austin. The community’s sustainability – and commitment to social equity – is reliant upon wellness, public safety, local fresh food, and active daily lifestyles. It requires compassionate help for our most vulnerable neighbors. Core concepts include:

- Define sustainable “progress” as advancements in the health and well-being of all Austinites, including healthy eating and daily exercise to “keep Austin moving.”
- Take positive, proactive steps to equitably protect everyone’s quality of life, now and over time.
- Protect against toxic pollution of our air, water and soil to safeguard everyone’s health, including the next generation of children.

Creating healthy homes by offering home repair activities is considered a high priority and a critical need for the City of Austin. These activities make units more accessible by alleviating life-threatening living conditions and health and safety hazards for low- and moderate-income homeowners. NHCD administers the following home repair programs: Architectural Barrier Removal (ABR) – Rental and Owner, Emergency Home Repair (EHR), Homeowner Rehabilitation Loan Program (HRLP), G.O. Repair! Program, and Holly Good Neighbor Program. In addition, NHCD collaborates with Austin Energy (AE), Austin Water Utility (AWU) and the City’s Code Compliance department to offer more services promoting healthier homes.

On April 13, 2012, NHCD hosted the second community conversation focusing on Healthy Homes & Home Repairs. The goal of the event was to gather feedback on how NHCD can strengthen its home repair programs and services to create healthier homes for Austinites. The event brought together over 25 key stakeholders whose efforts are dedicated to providing critical home repair services to help keep residents’ homes hazardous-free and accessible. As a result, these services create healthier homes and preserve the affordable housing stock in Austin.
The dynamic conversation provided an opportunity for several participants to voice their unique perspectives and offer insight on how the City can enhance partnerships, create a more comprehensive approach in offering services to low-income residents and streamline referral processes to ensure a more prompt and efficient repair process. The consistent theme taken from the conversation was the need for a comprehensive assessment tool that can be utilized by the City of Austin and local service providers to identify households in need of home repair. In addition, there were requests for more collaboration and consultation among the City of Austin and local agencies when designing and launching new home repair programs. Professionals shared knowledge of other models and examined how those practices could enhance service delivery. There was also mention that NHCD should explore other cities home repair business models. The City of Baltimore, MD is a leader in integrating a collaborative home repair program design that has enhanced partnerships, braided funding resources, and improved overall outcomes on home repair programs; thus, increasing client access and providing more effective service.

NHCD has continued its strategic pursuit of competitive and non-competitive federal and state grant opportunities in an effort to increase its financial capacity; therefore, increasing the number of households the office can serve. Through the Texas Department of Housing and Community Affairs’ (TDHCA) Reservation Funds, NHCD will be able to provide architectural barrier removal to persons with disabilities.

NHCD considers “Investment in Technology to Meet Customer Demand” a high priority and has elevated this as a horizon issue in FY 2012-13. NHCD will be first City department to “go-live” with the web-based version of the AMANDA Enterprise Software in FY 2012-13. The AMANDA system is designed to improve customer service and operational efficiency by streamlining business processes and consolidating program functions. The software will increase online access across the department and will include client, financial and compliance records for an overall reduction of carbon footprint. For FY 2012-13 NHCD recommends continuing investment and efforts in technology through mobile devices and a web portal to allow customers and businesses to apply for programs/services electronically.

NHCD fully supports efforts to incorporate the value of equity throughout its programs and services and aims to achieve this core value. In FY 2012-13, NHCD will continue to explore collaborative strategies and approaches on how the City can create healthier home through sustainable practices to maintain Austin’s housing stock.
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AFFIRMATIVELY FURTHERING FAIR HOUSING REPORT

*Federal Guideline* - Affirmatively Furthering Fair Housing: Outline actions taken to affirmatively further fair housing, summary of impediments to fair housing choice in the Analysis of Impediments (AI), and identify actions taken to overcome effects of impediments identified in the AI.

The U.S. Department of Housing and Urban Development (HUD) recommends that each Participating Jurisdictions (PJs) receiving federal entitlement grants conduct an Analysis of Impediments to Fair Housing (AI) during each 5-Year Consolidated Plan process. Impediments to fair housing choice are defined as any actions, omissions, or decisions that restrict, or have the effect of restricting, the availability of housing choices, based on race, color, religion, sex, disability, familial status, or national origin.

An Analysis of Impediments is an assessment of the City’s laws, regulations, administrative policies, procedures, and practices as they affect the location, availability and accessibility of fair housing choice. The AI identifies recommended actions for the City to reduce barriers to fair housing. Each year, the City is required to report on the progress regarding these recommended actions in both the annual Action Plan and the Consolidated Annual Performance and Evaluation Report (CAPER).

The City of Austin conducted an AI as a component of its FY 2009-14 Consolidated Plan. The analysis identified and reviewed fair housing and fair lending issues in Austin. The City of Austin hired BBC Research & Consulting to conduct the City’s Analysis of Impediments to Fair Housing. Austin’s AI released in July 2009 included an analysis of:

- Home Mortgage Disclosure Act (HMDA) data highlighting fair lending concerns,
- Legal cases and actions within Austin and other Texas communities related to fair housing,
- Fair housing complaint process,
- Citizen input about fair housing issues,
- Rental and housing affordability, and
- City policy and procedure review, which primarily includes input from affordable housing developers.

To view the City’s Analysis of Impediments to Fair Housing report, visit Appendix VIII.

The following is a summary of the impediments to fair housing choice identified in the AI and the actions taken to affirmatively further fair housing choices and overcome the effects of these impediments:

**Recommended Action - Item 1. Raise the visibility and resolution process of fair housing.**

The report states there was a discrepancy between the number of complaints received by the City’s Fair Housing Office and Austin Tenants’ Council (ATC) and the number of survey respondents citing housing discrimination. This finding suggests that some
residents may not be aware or fully understand their fair housing rights or know whom to contact when faced with discrimination. Many of the survey respondents cited their race as the reason for housing discrimination.

The report determined the majority of residents facing housing discrimination contacted the Austin Tenants’ Council (ATC) regarding questions and complaints. ATC is a key partner in the City’s goals to provide fair housing counseling and offers enforcement services benefiting renters in Austin. ATC is a recipient of HUD Fair Housing Initiatives program funds as well as receives funding through the City of Austin. The agency’s Fair Housing Program helps any person who has been discriminated against in the rental, sale, financing, or appraisal of housing. ATC offers an array of services including telephone counseling; face-to-face and in-house counseling; mediation services; intake testing; and referral of housing discrimination complaints.

Located in Central East Austin, ATC focuses efforts on educating the public about fair housing, and participates in over 30 outreach events/efforts annually. The ATC partnered with other community organizations to hold a Housing Fair in April 2012 which showcased housing rights educational booths with information about fair housing protections, tenant-landlord laws, affordable housing resources, and homeowner guides. NHCD staff promoted its programs at the fair and solicited feedback from participants as part of the FY 2012-13 Action Plan community needs assessment process. ATC seeks media opportunities to highlight the agency’s resources and services, partnering with the City to offer annual tenant/landlord training, and are the most prominent source for City of Austin residents when residents experience housing discrimination.

The City of Austin’s Fair Housing Office and the Neighborhood Housing and Community Development (NHCD) Office seek the elimination of racial/ethnic discrimination, including the present effects of past discrimination, and the elimination of de facto racial/ethnic residential segregation. In FY 2011, the Fair Housing Office elevated the visibility of its office, fair housing resources, and customer service for residents, by relocating its office to East 11th Street. The relocation of its offices to a more centralized area has brought the agency in closer proximity to NHCD and is more easily accessible to low-income residents. In FY 2012-13, the Fair Housing Office will continue investigating fair housing complaints and claims dealing with false advertising, predatory lending, and design and construction. In addition, the department will seek opportunities to market current programs and enhance educational efforts to further fair housing initiatives in the Austin community.

In order to raise the City of Austin’s online visibility and improve the City’s resolution process to fair housing complaints, the Fair Housing Office maintains an informational web site that highlights federal statues, informational resources on housing discrimination and employment discrimination, and pertinent City Ordinances that outline local regulations enacted by the Austin City Council to further the civil rights of Austin residents. To view web site, visit www.austintexas.gov/department/equal-employment-and-fair-housing-office.
City of Austin Fiscal Year 2012-13

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The Fair Housing Office and NHCD require staff to attend annual trainings, seminars, and conferences to receive education about federal and local fair housing regulations and initiatives. NHCD is committed to ensuring its staff is educated about federal and local fair housing regulation and the department’s obligations to adhere to nondiscrimination laws.

**Recommended Action - Item 2. Conduct targeted education and programming in minority neighborhoods.**

The Home Mortgage Disclosure Act (HMDA) data is the best source of information on mortgage lending discrimination. HMDA data includes: mortgage loan applications for financial institutions, savings banks, credit unions, and some mortgage companies; location of home; dollar amount of loan; types of loans; racial/ethnic information about applicant; income of applicant; and credit characteristics of all loan applicants.

BBC Research & Consulting issued the following findings from the Home Mortgage Disclosure Act (HMDA) analysis:

- African American and Hispanic residents were more likely to be denied their loan than white residents in Austin; however, loan denials were not as disproportionately high for African American and Hispanic applicants by banks based in Austin.
- Higher loan denial rates were concentrated in East Austin neighborhoods.
- African American and Hispanic residents are more likely to receive subprime mortgages.
- The reasons for loan denials are more diverse for Austin residents, as compared to the denials given by Austin-based banks.

In response to the HMDA data, the report recommended the following next steps:

1. The City should prioritize and promote a model loan application program and establish an outreach process for applicants to be informed about existing resources. The model loan program would outline quality loan products that would ensure applicants are aware of and applying for appropriate loan products that they are more likely to qualify for.

2. The City should conduct targeted campaigns or “road shows” to educate residents, landlords, housing providers and real estate professionals about fair housing and discriminatory issues that are most prevalent by area. The campaigns could take the form of public meetings, forums, and information meetings with local officials and target East Austin residents.

3. The City could partner with local Austin-based banks, which have had a more reliable past record of nondiscriminatory lending practices. Their rationale for loan denials was generally more uniform and consistent across all groups of applicants. Furthermore, local lenders may have a greater interest in local
residents and may be more likely to ensure that applications are complete and that residents are applying for the correct types of loans products.

In FY 2012-13, The City will continue to support and expand targeted education and programming through the following initiatives.

**Housing Smarts – Housing Counseling**
The City of Austin through the Austin Housing Finance Corporation (AHFC) currently offers Housing Smarts, an AHFC housing counseling program that provides financial literacy skills; lending education; homebuyer education, which includes pre- and post-purchase counseling; and foreclosure prevention. Under the Housing Smarts program, the City contracts with the following non-profits to further financial literacy related to foreclosure prevention and offer the Housing Smarts program in Spanish:

- **Business and Community Lenders (BCL) of Texas.** BCL provides foreclosure prevention assistance provided through counseling sessions. Clients receive financial literacy services, including credit and budget counseling and money management courses.
- **Frameworks Community Development Corporation.** Frameworks provides the Housing Smarts program in Spanish and offers one-on-one sessions.

NHCD has enhanced the curricula to include additional topics: credit for consumers, everyday budgeting, and how to get money when you need it. The course is also offered in all geographic areas across Austin.

In addition, the City of Austin discourages predatory lending and requires that all households participating in the Down Payment Assistance Program and Mortgage Credit Certificate Program secure a fixed-rate mortgage at prevailing interest rates. The City will continue seeking partnerships with local agencies to ensure the residents are informed on quality lending opportunities that lead to positive results.

**Financial Empowerment in Austin!**
As a component of the FY 2012-13 Action Plan community needs assessment process, NHCD hosted a community conversation/forum, “Financial Empowerment in Austin!,” to gather feedback on how NHCD can strengthen and grow financial education and empowerment tools into its current and future programs. The Financial Empowerment in Austin! community conversation brought together 32 people from almost 20 local agencies whose mission and efforts are dedicated to promoting financial empowerment and offering financial educational tools to individuals seeking assistance for personal or professional growth.

As a sign of the City’s commitment to financial empowerment activities, the Austin City Council has supported three recent initiatives to overcome critical areas related to financial empowerment.

1. **Business Regulation and Permit Requirements**
City of Austin Fiscal Year 2012-13

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August 18, 2010: Austin City Council amended Title 4 (Business Regulation and Permit Requirements) of the City Code. The purpose of this chapter is to protect the welfare of the citizens of the City by monitoring credit access businesses in an effort to reduce abusive and predatory lending practices. The amendment provides a penalty up to $500 for each offense performed by businesses.

2. Pay Day Lending

August 18, 2010: The City of Austin is concerned about the harmful effects of alternative financial service business practices, including payday lenders and auto title lenders statewide, and particularly in Austin. To address such concerns, the City Council approved a resolution initiating code amendments to City Code Title 25 (Land Development Code) and directing the City Manager to process code amendments to regulate the location and use of buildings and land for alternative financial services businesses. This regulation would deconcentrate and potentially decrease the negative effects of having multiple check cashing, payday loan, and car title loan businesses in close proximity to one another.

3. Bank On Central Texas Program

September 30, 2010: Austin City Council passed a resolution directing the City to participate in a Bank On Central Texas Employer Campaign (BOCT). BOCT was launched by the United Way Capital Area and PeopleFund to provide the following resources to the under-banked or unbanked: access to mainstream financial products and services, financial empowerment programs, and resources to build personal financial capacity. In this initiative, City efforts include working with employees to identify individual barriers to receiving an electronic paycheck, and where appropriate, offer financial coaching and identify financial products through the BOCT program that may benefit the employee. To date, approximately 95 percent of City employees have gone to paperless paychecks.

The Financial Empowerment in Austin! conversation marked the first in many conversations that NHCD would like to have on this nation-wide movement in increasing the importance of financial empowerment has within the community. NHCD looks forward to continued communications with its local partners and future meetings focusing on this topic in FY 2012-13.

New Funding Sources

NHCD applied for federal grant funding through the U.S. Department of Health and Human Services, Administration for Children and Families for a National Assets for Independence (AFI) demonstration grant establishing Individual Development Accounts (IDA) in May 2011 and was notified in FY 2011-12 that the City would receive $250,000. IDAs are special savings accounts designed to assist low-income individuals and families move toward asset ownership through matched savings and financial education. An IDA can be used to buy a first home, pay for college or other training, and start or expand a small business. Participants receive financial training and coaching on family budgeting, consumer issues, debt and credit counseling, using mainstream financial products, accessing refundable tax credits, and accessing other benefits and services. The goal of the demonstration grant is to learn about the extent to which this approach enables individuals and families with low incomes to become
financially stable over the long term. NHCD will use these funds to administer projects that provide IDAs and related services to low-income individuals and families. Because the participants’ deposits are matched, the account can grow substantially in proportion to the amount deposited on a regular basis.

In addition, the City applied to become a HUD certified Housing Counseling Agency in FY 2011-12, and anticipates using the various funding sources specifically designated for certified agencies in FY 2012-13.

NHCD has also begun collaborative efforts with the Austin City Council Austin, Foundation Communities, and United Way Capital Area in April 2012 in preparation of the Living Cities’ for Financial Empowerment funding application. On April 11, 2012, Living Cities and Bloomberg Philanthropies announced an exciting new development in the municipal financial empowerment field: the launch of the Cities for Financial Empowerment Fund at Living Cities (CFE Fund). The CFE is a 3-year grant that recreates the financial empowerment model used by New York City and will help local governments identify, develop, fund, implement, and research pilots and programs that increase people’s financial stability. This model offers free, professional, one-on-one financial counseling and education to low-income residents at Financial Empowerment Centers. If awarded, the NHCD would collaborate with non-profit financial empowerment and educational programs to create Financial Empowerment Centers in Austin.

Recommended Action - Item 3. Continue leading affordable housing development efforts.

During the AI process, stakeholders and affordable housing developers identified affordability as the primary fair housing issue in Austin. The group indicated that the affordable housing stock in Austin is highly limited; thus resulting in many low-income residents living in substandard housing or tolerating discriminatory situations for fear of not finding another affordable unit.

The City of Austin continues to engage non-profit and for-profit developers to create and retain affordable housing opportunities. Through the Acquisition and Development (A&D) and Rental Housing and Development Assistance (RHDA) programs, the City creates affordable housing in addressing its core values: deeper levels of affordability, units that will remain affordable over long-term, and affordable housing that is geographically dispersed throughout the City.

Core Values
The Affordable Housing Incentives Task Force (AHITF), comprised of real estate professionals, affordable housing developers, for-profit developers, affordable housing advocates, academics, and neighborhood representatives issued a report in 2007 to the Austin City Council with recommendations for incentives for affordable housing. This task force recommended three core values for affordable housing development that are used by the City and considered high priorities. These values remain an integral part of issuance of affordable housing funds and the development of housing by the City. Through the promotion of the core values below, the initiatives serve to
increase affordable housing stock and housing options to all residents throughout the community, further ensuring that housing is available to all residents in the community.

- **Deeper Affordability Targets**: Reach deeper levels of affordability to serve lower-income residents.
- **Long-term Affordability**: The City values preserving affordability for the long-term; and,
- **Geographic Dispersion**: Affordable housing geographically dispersed throughout the City of Austin.

NHCD highlights the core value of Geographic Dispersion in several ways. First of all, geographic dispersion is a key scoring criteria for the City’s Rental Housing and Developer Assistance (RHDA) and Acquisition and Development (A&D) programs. The Kirwan Institute’s Opportunity Map of Austin, which shows the census tracts of Austin ranging from very high opportunity to very low opportunity, is used as the rubric for geographic dispersion. Areas of high opportunity are areas where affordable housing in Austin has not traditionally been located, and are typically areas of lower racial/ethnic minority concentration. Geographic dispersion counts as over 10 percent of the total scoring for RHDA, and over 15 percent for A&D.

In FY 2012-13, NHCD will continue to participate in the Opportunity Mapping: 2012-13 Steering Committee, which is comprised of representatives from Ohio State University’s Kirwan Institute, City of Austin, Travis County, and local and regional planning agencies to determine key indicators the Kirwan Institute will utilize to update the current regional Opportunity Map. Opportunity mapping is a research tool used to understand the dynamics of “opportunity” within geographic areas. The purpose of opportunity mapping is to illustrate where opportunity-rich communities exist (and assess who has access to these communities) and to focus on areas of need in underserved or opportunity-poor communities. Key indicators include: areas with sustainable employment, high performing schools, access to high-quality healthcare, adequate transportation, quality child care, safe neighborhoods, and institutions that facilitate civic and political engagement. As NHCD moves forward in implementing a geographic dispersion/siting policy ensuring affordable housing in all parts of Austin, staff anticipates utilizing the Kirwan Opportunity Map to further the City’s housing and community development goals.

As part of the S.M.A.R.T. Housing™ ordinance, NHCD staff also prepares an Affordability Impact Statement (AIS) for all proposed neighborhood plans in the City of Austin to identify any potential impacts on housing affordability. This analysis ensures that the City Council and the public are informed on how neighborhoods throughout Austin have made an effort to include opportunities for affordable housing within their plans. NHCD staff also works with neighborhood members throughout their planning process to educate the public about affordable housing and promote its benefits to the community. This is especially important for neighborhoods to the west of Austin, where affordable housing has not traditionally been located and the racial/ethnic
minority concentration is typically disproportionately lower than other areas in the City. In this effort, NHCD encourages that affordable housing promotes desegregation throughout all parts of the City. Additionally, the City of Austin continues its solid partnerships with both public housing authorities, the Housing Authority of the City of Austin (HACA) and the Housing Authority of Travis County (HATC) to further education about the importance of affordable housing – and fair housing.

NHCD recognizes that with its goal to increase affordable housing stock for low-income residents, there must be a continued focus on strengthening compliance of fair housing, as well as increasing educational programs to help promote fair housing initiatives. These two goals must be aligned to ensure overall success of NHCD affordable housing programs and initiatives. NHCD will work closely with the Fair Housing Outreach Coordinator and other appropriate entities including the Austin Tenants Council (ATC), ADAPT/Austin Chapter, Chambers of Commerce and area lenders to market affordable housing options and choices to promote opportunities for all persons regardless of race, color, religion, sex, disability, familial status, national origin, student status, sexual orientation, gender identity, or age.

The Austin City Council passed a resolution on December 15, 2011, directing the City Manager to work with the Community Development Commission (CDC) and other stakeholders to research strategies of achieving geographic dispersion of affordable housing. The City Manager was charged with identifying additional strategies and practices for geographic dispersion of affordable housing, and the feasibility of implementing those strategies for the City of Austin. In response to this resolution, NHCD has conducted research of municipal affordable housing siting policies, formed and participated in an Affordable Housing Siting Policy Working Group. The Working Group has assessed feasibility and developed an Affordable Housing Siting Policy Interim Update based upon feedback gathered at the Affordable Housing Across Austin conversation. To view the Affordable Housing Siting Policy Interim Update, view Appendix XIV.

**Affordable Housing Programs**

Through the Acquisition and Development (A&D) and the Rental Housing and Development Assistance (RHDA) programs, the City offers financing to public and private partners so that the Austin affordable housing stock is retained. Key partners include Community Housing and Development Organizations (CHDOs) who assist in the creation and retention of affordable housing for low- and moderate-income households. Recognizing that action in and of itself to create and retain affordable housing is not sufficient to affirmatively further fair housing, NHCD and AHFC take additional steps to assure that housing is fully available to all residents of the community, regardless of race, color, religion, sex, disability, familial status, national origin, student status, sexual orientation, gender identity, or age. NHCD staff regularly analyzes the geographic dispersion of affordable housing to ensure that the City of Austin’s investment through the disbursement of federal and local funds are not concentrated to specific geographic areas. By implementing this ongoing analysis, it
further increases its assurances to address the impact of discrimination on housing opportunities and choice in its jurisdiction.

As a result of this focus, NHCD has achieved greater geographic dispersion in the units it has funded in recent years. The City of Austin has achieved significant geographic dispersion in the units funded through the City’s General Obligation (G.O.) Bond funding. At the time of this report, 2,431 total units have been created. This total also includes home rehabilitation. Out of the 2,431 units, 890 are located east of Interstate Highway (IH) 35 and 857 are located west of IH-35 – this does not include home rehabilitation units. The G.O. Bond funding has leveraged $189 million in private/public investment.

**Recommended Action - Item 4. Continue educating the public about fair housing involving neighborhood groups.**

The City of Austin is committed in engaging the community, neighborhood groups and its stakeholders in promoting all aspects of housing. Fair housing initiatives are a priority for the City of Austin and NHCD continues to seek opportunities to promote and highlight fair housing in FY 2012-13.

**Education & Outreach**

To promote and support all aspects of fair housing is one of NHCD’s highest priorities. NHCD will continue to integrate fair housing education with all affordable housing materials and educational curriculum. Integrating a fair housing component with information about City of Austin programs increases opportunities to affirmatively further fair housing.
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POLICIES AND PROGRAMS TO ENHANCE ACCESSIBILITY FOR PERSON WITH DISABILITIES

According to the U.S. Department of Housing and Urban Development (HUD), 24 CFR 582.5: a person shall be considered to have a disability if such a person has a physical, mental, or emotional impairment that:

- Is expected to be of long-continued and indefinite duration,
- Substantially impedes his or her ability to live independently, and
- Is of such a nature that the ability could be improved by more suitable housing conditions.

According to the 2008 to 2010 American Community Survey approximately 5.9 percent, or 1,441,571, of Texans over the age of five had one disability, and 5.5 percent, or 1,349,868, of Texans over the age of five had two or more disabilities for this time period. Of the Texans with disabilities aged 18 to 64, approximately 2.3 percent had hearing difficulty, 2.2 percent had vision difficulty, 5.3 percent had an ambulatory disability, 3.8 percent had a cognitive difficulty, 1.9 percent had a self-care disability, and 3.3 percent had an independent living difficulty. The data also shows that approximately 3.9 percent of Texans were in the labor force and had a disability.

With respect to the City of Austin, and according to the 2008 to 2010 American Community Survey, approximately 5 percent, or 36,370, of residents over the age of 5 had one disability, and 4 percent, or 29,119, of residents had two or more disabilities. Of that population approximately 3.5 percent, or 4,108, of residents aged 5 to 17 had at least one disability, and 3 percent, or 16,773, of residents aged 18 to 64 had two or more disabilities. For Austin’s population aged 65 and older, approximately 16 percent, or 8,331, of residents had one disability, and 22 percent, or 11,454, of residents had two or more disabilities. The data shows that disabilities are much more prevalent among Austin’s older population.1

Commitment to Community Integration

The Olmstead Supreme Court decision held that the unjustified institutional isolation of people with disabilities is a form of unlawful discrimination under the Americans with Disabilities Act (ADA). In January 2000, Texas embarked on a Promoting Independence Initiative in response to the Olmstead ruling, which ruled in June 1999 that states must provide community-based services for people with disabilities who would otherwise be entitled to institutional services, when:

- The state's treatment professionals determine that such placement is appropriate;
- The affected people do not oppose such treatment; and
- The placement can be reasonably accommodated, taking into account the

1 U.S. Census Bureau, American Community Survey 5-Year Estimates, 2009 URL: http://www.census.gov/acs/www/

The City of Austin Neighborhood Housing and Community Development (NHCD) Office has received consistent feedback regarding the preference of persons with disabilities to live independently and remain in their own homes. NHCD and is strongly committed to implementation of the Olmstead decision and the Texas Promoting Independence Plan, which affirms the right of persons with disabilities to obtain services in the most integrated setting appropriate to their needs.

**FY 2009-14 Consolidated Plan**

The City of Austin FY 2009-2014 Consolidated Plan identifies housing and non-housing needs for persons with disabilities. Chapter 4 of the Consolidated Plan is entitled Housing and Non-Housing for Special Needs Populations, and includes sections on the elderly/frail elderly and persons with physical disabilities. The Elderly/Frail Elderly section identifies a continuum of options for elderly persons as noted in Exhibit 4-1 on page 4-6 of the FY 2009-14 Consolidated Plan, which includes a list of nursing homes and assisted living facilities.

The Persons with Physical Disabilities section of Chapter 4 of the Consolidated Plan outlines housing and non-housing needs for persons with physical disabilities and also references Exhibit 4-1. NHCD is providing written clarification that the department does not take the position that nursing homes are a housing option for persons with disabilities unless the individual explicitly chooses this option. To emphasize what is stated in Chapter 4, Medicaid cannot be used to cover the cost of housing for persons with disabilities, except to be utilized for environmental modifications.

**City of Austin Initiatives**

Initiatives that promote the integration of persons with disabilities in affordable housing programs remain an important goal of NHCD’s FY 2012-13 Program Investment Plan. NHCD promotes policies and programs to enhance accessibility for persons with disabilities in all of its activities, and targets investment in the following areas:

- Tenant’s Rights Assistance,
- Deeply Affordable Rents/Permanent Supportive Housing,

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2 Fact Sheet on Promoting Independence. Texas Department of Aging and Disability Services (http://www.dads.state.tx.us/services/faqs-fact/pi.html).
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- Accessibility/Visitability Standards,
- Architectural Barrier Removal Program,
- Compliance Initiatives, and
- Tenants’ Rights Assistance.

The Fair Housing Analysis in the City of Austin FY 2009-2014 Consolidated Plan reports that more than half of all fair housing complaints in Austin in 2008 were regarding disability status. Likewise, the Austin Tenants’ Council reports that 54 percent of the total complaints received in 2008 were from individuals with disabilities.

To address this concern as it relates to persons with disabilities, the City continues its investment in the Austin 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.

The City of Austin Fair Housing Office also provides assistance to residents who believe they have been discriminated against as it relates to housing. NHCD will continue to work closely with both entities to address fair housing issues, with a special focus on residents with disabilities. NHCD continues to support the Austin Tenants’ Council with allocation of Community Development Block Grant (CDBG) funds. The FY 2012-13 Program Investment Plan includes continued support to ATC’s programs and activities.

Deeply Affordable Rents/Permanent Supportive Housing

The City Council passed Resolution 20100325-053 on March 25, 2010, directing the City Manager to give priority to federal and local funding to permanent supportive housing (PSH), and to develop a comprehensive strategy for the construction and operation of 350 permanent supportive housing (PSH) units over the next four years. On September 30, 2010, the City’s PSH strategy was presented to City Council. Implementation is underway to achieve the 350-unit goal. The City’s PSH will primarily focus efforts on chronic homelessness.

On March 10, 2011, the City Council adopted the City of Austin Permanent Supportive Housing (PSH) Strategy as a working document and authorized the City Manager to facilitate the Leadership Committee on Supportive Housing Finance with the intent to “work” together to review and analyze the report provided to the City Council and recommend a comprehensive public and private financing strategy for the City Council. For more information about Permanent Supportive Housing, visit page 4-6.

Accessibility/Visitability Standards

The federal government, the State of Texas and the City of Austin all provide funding for affordable housing that have accessibility standards. Federal and state requirements include accessibility for people who are mobility-impaired, hearing-impaired, or visually impaired and are governed by the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act, Section 2306.514
City of Austin Fiscal Year 2012-13

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of the Texas Government Code, and the City’s building code. In 2005, the City of Austin adopted the 2003 International Building Code that federal enforcement agencies determined was in compliance with federal accessibility requirements.

In 2000, the City of Austin adopted the S.M.A.R.T. Housing™ Ordinance that encourages the development of reasonably priced units and has created more than 20,000 S.M.A.R.T. Housing™ units. The S.M.A.R.T. Housing™ ordinance has additional standards for accessibility beyond federal and state levels. In addition, all single-family S.M.A.R.T. Housing™ units must be visitable. Being visitable includes the following standards:

- Accessible entrance door with a ramp or no-step entrance,
- Lever handle hardware,
- Blocking behind the bathroom walls for future grab bar installation,
- Large interior door width, and
- Light switches that are no higher than 48 inches above the floor.

In 2008, the City Council expanded some of the elements of the Visitability Ordinance to apply to all new single-family homes and duplexes in the City of Austin. These new visitability regulations are amendments to the 2006 International Residential Code. In addition, all multi-family S.M.A.R.T. Housing™ units must include the following standards:

- All ground-floor-level units and units accessible by elevator must be adaptable,
- Ten percent of all multi-family units must be accessible,
- Accessible parking spaces are required with an accessible route to first floor units and the common areas,
- Removable cabinet doors, and
- Two percent of total parking spaces must be accessible.

In addition to the above S.M.A.R.T. Housing™ requirements, multi-family units built with Community Development Block Grant or HOME, are also subject to the Section 504 of the Rehabilitation Act of 1973. This act requires that two percent of multifamily units be accessible to individuals with sensory impairments. The S.M.A.R.T. Housing™ requirement that requires ten percent of multi-family units be accessible exceeds the Section 504 requirements, which requires that only five percent of multi-family units be accessible.

Architectural Barrier Removal Program – Rental and Owner (Accessibility Modifications)

The Architectural Barrier Removal (ABR) Program modifies the homes of seniors and persons with disabilities who have limited income and would like their homes more accessible. These programs are available for persons who rent and for those who own their home. These accessibility modifications help persons with disabilities remain in their homes longer and live with a greater degree of independence. All services are free to eligible persons.

ABR Program services include:
Wheel chair ramps,
Handrails,
Door widening,
Buzzing or flashing devices (for people with visual/hearing impairment),
Accessible door and faucets handles,
Shower grab bars and shower wands, and
Accessible showers, toilets and sinks.

The City will access funding through the Texas Department of Housing and Community Affairs (TDHCA) in FY 2012-13, to further its efforts in making accessibility modifications.

In August 2011, TDHCA announced the availability of $4 million in funding from the Housing Trust Fund (HTF) for the Amy Young Barrier Removal Program through the agency’s Reservation System. This program provides one-time grants of up to $20,000 to persons with disabilities qualified as “low income” for home modifications necessary for accessibility and the elimination of hazardous conditions. Program recipients may be homeowners, a tenant/renter or a person with disabilities residing in the household.
AFFIRMATIVE MARKETING AND MINORITY OUTREACH

As a recipient of federal funds, the City of Austin must adopt affirmative marketing procedures and requirements for rental and homebuyer projects containing five or more HOME-assisted housing units. Affirmative marketing steps consist of actions that provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, color, national origin, sex, religion, familial status or disability.

I. Affirmative Marketing Plan

When a rental housing or homeowner project containing five or more units is planned to be constructed, the City of Austin and/or its subrecipients will provide information to the community that attract eligible persons who are least likely to access affordable housing opportunities. This may include low- to moderate-income individuals, minority residents, the Limited English Population (LEP) population, and residents of manufactured housing.

With changing demographics in Austin, there are challenges when marketing to the eligible populations that are Limited English Proficient (LEP). In areas where there is a significant LEP population, NHCD and the AHFC strive to meet this need by:

- Translating key marketing materials;
- Working with minority-owned print media, radio and television stations;
- Partnering with faith-based and community organizations that serve newly arrived immigrants;
- Promoting and offering marketing activities and educational sessions in Spanish at community outreach events, such as Homebuyer Fairs; and
- Providing a stipend to bi-lingual staff members who work directly with and provide assistance to the LEP population.

NHCD and AHFC program guidelines and requirements for business owners and builders are outlined below. Each owner is required to agree to carry out the following affirmative marketing procedures and requirements:

1. The business/builder/non-profit shall not refuse to sell or rent the subject homes to an individual because of race, color, religion or national origin.

2. The business/builder/non-profit shall not refuse to sell or rent the subject homes to an individual because that individual has children who will be residing in that dwelling.

3. The business/builder/non-profit shall not refuse to sell or rent the subject homes to an individual because that individual is eligible for public housing assistance.

4. The business/builder/non-profit shall conduct special outreach to a target groups of persons least likely to apply through advertisement in newspapers whose circulation is primarily among the target group, as well as through notification of appropriate community groups and agencies.
Chapter 5: Fair Housing

5. The business/builder/non-profit shall advertise all homes for sale and apartments for rent in the appropriate local media.

6. The business/builder/non-profit shall include in all advertising HUD’s Equal Housing Opportunity logo, slogan or statement, as defined in 24 CFR 200.600.

7. The business/builder/non-profit shall instruct all employees and agents both orally and in writing about the City’s affirmative marketing requirements.

8. The business/builder/non-profit shall prominently display in its office HUD’s Fair Housing Poster or Equal Housing Opportunity logo.

9. The business/builder/non-profit must keep on file any and all sales advertisements and applicant information. Copies of this information must be forwarded upon request to staff so that staff may properly assess the affirmative marketing practices.

10. Nondiscrimination: In the performance of its obligations under this agreement, The business/builder/non-profit will comply with the provisions of any federal, state or local law prohibiting discrimination in housing on the grounds of race, color, sex, creed or national origin, including Title IV of the Civil Rights Act of 1964 (Public Law 88-352, 78 Stat. 241), all requirements imposed or pursuant to the Regulations of the Secretary (24 CFR, Subtitle A, Part I) or pursuant to that Title; regulations issued pursuant to Executive Order 11063, and Title VIII of the 1968 Civil Rights Act.

NHCD and AHFC maintain copies of their respective affirmative marketing efforts. Austin will continue reporting on its annual accomplishments in the annual CAPER. The City will include a comprehensive assessment of its affirmative marketing actions as required in 24 CF 92.351(a)(2)i-v in the annual CAPER. The City of Austin will work with any contractor who is not meeting the requirements of the affirmative marketing plan to provide necessary technical assistance and guidance. NHCD staff utilizes audit checklists developed by HUD. These checklists provide for review of project requirements, property standards, rent occupancy, and ongoing monitoring requirements including affirmative fair housing marketing.

II. Minority Outreach Plan
The Austin City Council passed an ordinance establishing the Minority- and Women-Owned Business Enterprise (MBE/WBE) Procurement Program on February 19, 1987. The City Council approved major amendments to that ordinance on July 13, 1995. The program, which is administered by the City Department of Small and Minority Business Resources (SMBR), established procurement goals for City departments that target Minority- or Women-Owned Business Enterprises (MBE/WBE). To qualify as a MBE/WBE, the business must be certified by the Department of Small and Minority Business Resources as a sole proprietorship, partnership, corporation, joint venture or any other business entity that is owned, managed and operated by a minority or woman, and which performs a commercially useful function. Once certified, MBE/WBE vendors are included in a citywide database that details the products and services they provide by commodity code. This database is also available to prime contractors who are seeking to subcontract with City-certified MBE/WBE vendors. The City of Austin produces the
Chapter 5: Fair Housing

Contractor/Subcontractor Activity Report after the close of every contract which is used to determine the amount of MBE/WBE contracts. NHCD uses Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women’s Business Enterprises (WBEs) in annual CAPERs.

III. Plan for Increasing Homeownership for Special Populations
In addition to minority populations, special outreach efforts will be required to be conducted to more specialized segments of the community. The City of Austin has expanded its outreach efforts to particular segments of the community that have historically low participation levels in homeownership due to racial/ethnic discrimination or segregation. These targeted populations may include but are not limited to tenants of manufactured housing and public housing.

Through increased coordination with the Housing Authority of the City of Austin (HACA), additional criteria will be developed that may allow public housing tenants additional consideration in accessing homeowner housing developed through the AHFC and through local Community Development Housing Organizations (CHDO). Tenants of manufactured housing will be encouraged to participate through several homeownership fairs scheduled to be conducted in areas with high levels of manufactured housing. Through the information and training provided during the fairs, tenants of manufactured housing will be encouraged to become homeowners, rather than renters. Further follow up with tenants will help identify the low-income households that may be able to take advantage of existing homeownership opportunities. Low-income household tenants unable to qualify for homeownership because of issues such as debt, credit, and income may be referred to accredited housing counseling providers.

IV. Plan for Increasing Housing Options for Special Populations
The City Council passed Resolution No. 20100325-053 on March 25, 2010, directing the City Manager to give priority to federal and local funding to permanent supportive housing (PSH), and to develop a comprehensive strategy for the construction and operation of 350 permanent supportive housing (PSH) units over the next four years. Since the City Council’s action, the City of Austin, ECHO and key stakeholders have made great strides on PSH efforts to support the implementation of the PSH strategy and as of April 2012, 228 PSH units are in the pipeline.

City of Austin-funded PSH units are designated for individuals or families in the following categories:

- Headed by individuals that are chronically homeless as established in the final rule of the HEARTH Act published in December 2011;
- Households that would otherwise meet the HUD definition as above, but have been in an institution for over 90 days, including a jail, prison, substance abuse facility, mental health treatment facility, hospital or other similar facility;
- Unaccompanied youth or families with children defined as homeless under other federal statutes that demonstrate housing instability and have other barriers that will likely lead to continued instability, as detailed in the plan; and
- Youth aging-out of state systems, whether homeless or at-risk of homelessness.
Chapter 5: Fair Housing

Among those served, priority will be given to at least 225 households identified as frequent users of public systems, and at least 75 households identified using a method linked to ‘vulnerability,’ as described in the plan that can be viewed online at www.cityofaustin.org/housing.

**Emergency Solutions Grant (ESG) Activities**

The Austin/Travis County Health and Human Services Department (HHSD) administers all ESG activities for the City of Austin. These programs are designed to be the first step in a continuum of assistance to help clients quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. On March 5, 2012, HUD further clarified the definition of “family,” by releasing a final rule on equal access to housing for HUD programs regardless of sexual orientation or gender identity. The rule applies to all McKinney-Vento-funded housing programs, as well as to other housing assisted or insured by HUD. The rule creates a new regulatory provision that generally prohibits considering a person’s marital status, sexual orientation, or gender identity (a person’s internal sense of being male or female) in making homeless housing assistance available.

HUD’s goal is to ensure that programs are carried out free from discrimination and are models for equal housing opportunity. This new provision ensures that lesbian, gay, bisexual, and transgender (LGBT) people are guaranteed equal access to housing and shelters. The City of Austin ensures that its programs adhere to the new regulations outlined by HUD. The City prohibits inquiries regarding the sexual orientation or gender identity of applicants and prohibits sexual orientation and gender identity as grounds for decision making for its programs.
Chapter 6
Activity Tables
## HOMELESS/SPECIAL NEEDS

**Consolidated Plan 2009-14 Priority: Homeless/Special Needs Assistance**

<table>
<thead>
<tr>
<th>Program</th>
<th>Priority for Federal Funds</th>
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<th>Funding Sources</th>
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<td>Homeless/Special Needs</td>
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<td>ESG, HOPWA, CDBG</td>
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## Austin Resource Center for the Homeless (ARCH) - ESG12: Shelter Operation and Maintenance

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### PROJECT DESCRIPTION

The City of Austin/Travis County Health and Human Services Department (HHSD) contracts with a private nonprofit organization to operate the Austin Resource Center for the Homeless (ARCH). All clients served in the ARCH have low- to moderate-incomes and are at or below 50 percent of MFI. Emergency Solutions Grant (ESG) funds are used to provide maintenance and operations for this program. The ARCH provides emergency shelter to homeless adult males through its Overnight Shelter program, and provides Day Sleeping to homeless adult males and females. The ARCH provides basic services such as showers, laundry facilities, mailing addresses, telephone use, and lockers through its Day Resource Center program. The Day Resource Center program also includes a number of services such as mental health care, legal assistance, and employment assistance provided by co-located agencies. In addition, ARCH also houses the Healthcare for the Homeless clinic.

### ACCOMPLISHMENT DESCRIPTION

<table>
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<tr>
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The ARCH will serve individuals with its Night Sleeping, Day Sleeping and Day Resource Program. All clients will be entered into the Homeless Management Information Systems (HMIS) database.

### FUNDING

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City of Austin FY 2012-13 Action Plan
Chapter 6: Activity Tables

Front Steps - ESG HMIS

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<th>IDIS Project #</th>
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**PROJECT DESCRIPTION**

The Austin Resource Center for the Homeless (ARCH) will utilize Emergency Solutions Grant (ESG) funds for the implementation of a scan card system, increased service and Homeless Management Information System (HMIS) coordination with downtown service providers and to comply with new ESG regulations from HMIS.

**ACCOMPLISHMENT DESCRIPTION**

Proposed Accomplishment: People

The ARCH will hire an HMIS staff member and purchase computers and necessary equipment for implementation.

**FUNDING**

- **Fund Source(s):** ESG
- **FY 2012-14 New Funding:** $5,272

**PROJECT INFORMATION**

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- **Expected Completion Date:** 9/30/2013
- **Citation:** 570.201e
**City of Austin FY 2012-13 Action Plan**  
**Chapter 6: Activity Tables**

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<th>IDIS Project #</th>
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**PROJECT DESCRIPTION**

The Communicable Disease Unit of the Austin/Travis County Health and Human Services Department (HHSD) will provide Rapid Rehousing - Housing Relocation and Stabilization Services to persons experiencing homelessness living with HIV/AIDS who are not utilizing shelter services. This service connects clients with safe and stable housing. The Rapid Rehousing Program will coordinate to receive direct financial assistance from the Rapid Rehousing Program. This project uses ESG funds to provide Rapid Rehousing Services.

**ACCOMPLISHMENT DESCRIPTION**

- **Proposed Accomplishment:** 40 People
- The Communicable Disease Unit will provide Housing Relocation and Stabilization services to persons experiencing homelessness living with HIV/AIDS and their families.

**FUNDING**

- **Fund Source(s):** ESG
- **FY 2012-14 New Funding:** $65,912

**PROJECT INFORMATION**

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- **Priority Need Category:** Homeless/HIV/AIDS
- **Expected Completion Date:** 9/30/2013
- **Citation:** 570.201e
- **Location:** Community Wide
City of Austin FY 2012-13 Action Plan
Chapter 6: Activity Tables

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<tr>
<td>IDIS Project #</td>
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</table>

**PROJECT DESCRIPTION**
The Austin/Travis County Health and Human Services Department (HHSD) will compete the funding for Rapid Rehousing - Housing Relocation and Stabilization Services. The awarded subrecipient will be responsible for administering direct financial assistance for a two-year period. There will be one Rapid Rehousing Coordinator who will be responsible for the administration of all Rapid Rehousing direct assistance, as well as coordination between the downtown shelters and service providers and implementation of the Homeless Management Information System (HMIS) scan card system.

**ACCOMPLISHMENT DESCRIPTION**

Proposed Accomplishment: 100 People

The Rapid Rehousing Program will provide direct financial assistance to rapidly rehouse persons experiencing homelessness who are receiving services from ESG-funded programs at the Communicable Disease Unit, Austin Resource Center for the Homeless (ARCH) and Downtown Austin Community Court.

**FUNDING**

<table>
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</table>
### PROJECT DESCRIPTION

This activity are costs related to the Homeless Management Information System (HMIS) in order to comply with increased ESG requirements and coordinate services for the Rapid Rehousing Program. There will also be costs associated with starting a new scan card system for clients in the downtown area coordinated at the ARCH.

### ACCOMPLISHMENT DESCRIPTION

**Proposed Accomplishment**
- People

This funding is designated to improve the HMIS.

### FUNDING

**Fund Source(s)**
- ESG

**FY 2011-13 New Funding**

### PROJECT INFORMATION

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Downtown Austin Community Court - HESG11: Housing Relocation and Stabilization Services

| IDIS Project # | 5 |

**PROJECT DESCRIPTION**

The Downtown Austin Community Court Rapid Rehousing staff will provide housing relocation and stabilizations services to homeless individuals in the downtown area. Two new staff members will provide housing relocation and stabilization services to persons experiencing homelessness who are frequent users of public systems including the Downtown Austin Community Court and Austin Resource Center for the Homeless (ARCH).

**ACCOMPLISHMENT DESCRIPTION**

**Proposed Accomplishment**

72 People

The Downtown Austin Community Court Rapid Rehousing staff will provide housing relocation and stabilizations services to homeless individuals in the downtown area, in order to ensure 65 percent of those individuals will exit homelessness into housing.

**FUNDING**

**Fund Source(s)**

ESG

FY 2011-13 New Funding

**PROJECT INFORMATION**

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</thead>
<tbody>
<tr>
<td>Subrecipient Private</td>
<td>9/30/2013</td>
<td>570.201e</td>
<td>Community Wide</td>
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</tbody>
</table>
### Downtown Austin Community Court - HESG11: Homeless Management Information System (HMIS)

<table>
<thead>
<tr>
<th>IDIS Project #</th>
<th>5</th>
</tr>
</thead>
</table>

#### PROJECT DESCRIPTION

This activity will provide start-up costs to comply with new ESG regulations regarding Homeless Management Information System (HMIS) data entry. Costs will also support HMIS data entry and enhanced communications by the Rapid Rehousing staff at Downtown Austin Community Court including HMIS User Licenses, training costs, desk phones, cell phones, printers, and two-way radios.

#### ACCOMPLISHMENT DESCRIPTION

**Proposed Accomplishment**

- People

This funding is for HMIS start up costs so no clients will be served.

#### FUNDING

**Fund Source(s)**

- ESG

**FY 2011-13 New Funding**

#### PROJECT INFORMATION

<table>
<thead>
<tr>
<th>Objective Category</th>
<th>Outcome Category</th>
<th>Subrecipient</th>
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</thead>
<tbody>
<tr>
<td>Suitable Living Environment</td>
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<table>
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<th>Eligibility</th>
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<tbody>
<tr>
<td>Help the Homeless ✔️</td>
<td>03T Operating Costs of Homeless/AIDS Patients Programs</td>
<td>Not Applicable</td>
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<td>Help Persons with HIV/AIDS</td>
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<tr>
<td>Help Persons with Disabilities</td>
<td>Homeless/HIV/AIDS</td>
<td></td>
</tr>
<tr>
<td>Address Public Housing Needs</td>
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<table>
<thead>
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<th>Priority Need Category</th>
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<td>Homeless/HIV/AIDS</td>
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<table>
<thead>
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<tr>
<td>9/30/2013</td>
<td>570.201e</td>
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</table>
### Short-Term Rent, Mortgage, and Utility (STRMU)

<table>
<thead>
<tr>
<th>IDIS Project #</th>
<th>2</th>
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</thead>
</table>

#### PROJECT DESCRIPTION

The Short-Term Rent, Mortgage, and Utility Assistance program (STRMU) provides essential financial help to persons living with HIV/AIDS and their families. Case managers assess client needs and submit requests for assistance. STRMU provides monthly payments to eligible clients who are at risk of becoming homeless. The service allows clients to remain in their current residences and limits support to three months, with a cap of $600 per month. The time limit may be waived for clients based on medical needs. Eligibility is restricted to those with notices to vacate, evictions, and utility termination notices.

#### ACCOMPLISHMENT DESCRIPTION

**Proposed Accomplishment**

199 Households

STRMU will provide short-term housing assistance to prevent homelessness of the renters or homeowners. It will help maintain a stable living environment for households who experience financial crisis and possible loss of their housing arrangement.

#### FUNDING

**Fund Source(s)**

Housing Opportunities for Persons for AIDS

**FY 2012-13 New Funding**

$138,779

#### PROJECT INFORMATION

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<tr>
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<td>☑ Help Persons with Disabilities</td>
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<tr>
<td>☑ Address Public Housing Needs</td>
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<table>
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<tr>
<th>Objective Category</th>
<th>Outcome Category</th>
<th>Subrecipient</th>
</tr>
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<tbody>
<tr>
<td>Decent Housing</td>
<td>Affordability</td>
<td>Subrecipient Private</td>
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<thead>
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<th>Citation</th>
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<tbody>
<tr>
<td>9/30/2013</td>
<td>570.204</td>
<td>Community Wide</td>
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</table>
### Tenant-Based Rental Assistance (TBRA)

**IDIS Project #** 41

#### PROJECT DESCRIPTION

The Tenant-Based Rental Assistance (TBRA) program provides rent, mortgage, utility assistance, and assistance with shared housing arrangements for income-eligible persons with HIV/AIDS and their families. Income eligibility is restricted to families earning an income at or below 10 percent of MFI and for households of one with zero income. The program goal is to prevent homelessness and support independent living of persons living with HIV/AIDS.

#### ACCOMPLISHMENT DESCRIPTION

**Proposed Accomplishment** 100 Households

TBRA will provide rent, mortgage, utility assistance, and assistance with shared housing arrangements to meet the urgent needs of eligible persons with HIV/AIDS and their families. The goal is to prevent homelessness and to support independent living of persons living with HIV/AIDS who access the program through HIV case management.

#### FUNDING

**FY 2012-13 New Funding** $543,511

### PROJECT INFORMATION

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<thead>
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<th>Matrix Codes</th>
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<td>☑ Help Persons with HIV/AIDS</td>
<td>05Q Subsistence Payments $70.204</td>
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<td>LMC</td>
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<td>☑ Help Persons with HIV/AIDS</td>
<td>Subrecipient Private</td>
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<td></td>
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<tr>
<td>☑ Help Persons with Disabilities</td>
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<tr>
<td>☑ Address Public Housing Needs</td>
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<tr>
<td>☑ Decent Housing</td>
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<td>☑ Affordable Housing</td>
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**Expected Completion Date** 9/30/2013

**Citation** 570.204

**Location** Community Wide
Permanent Housing Placement (PHP)
IDIS Project # 42

<table>
<thead>
<tr>
<th>PROJECT DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent Housing Placement (PHP) is designed to increase stability to reduce homelessness and increase access to care and support. The program may provide clients with first month’s rent, security deposit, and utility connection fees to meet urgent needs of eligible persons living with HIV/AIDS and their families with a cap of “Fair Market Rent”. The goal is to prevent homelessness and to support independent living for persons with HIV/AIDS who can access the program through HIV case management.</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>PROPOSED ACCOMPLISHMENT</th>
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</thead>
<tbody>
<tr>
<td>Proposed Accomplishment</td>
</tr>
<tr>
<td>PHP will help prevent homelessness and will support independent living of persons with HIV/AIDS. Persons can access the program through HIV case management. PHP will assist eligible clients establish a new residence where on-going occupancy is expected to continue. Assistance will be provided to eligible clients and their families with payment of first month’s rent to secure permanent housing and will complement other forms of HOPWA housing assistance.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FUNDING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Source(s)</td>
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<td>FY 2012-13 New Funding</td>
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<tr>
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<tbody>
<tr>
<td>Project Primary Purpose:</td>
</tr>
<tr>
<td>( ) Help the Homeless</td>
</tr>
<tr>
<td>✓ Help Persons with HIV/AIDS</td>
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<tr>
<td>( ) Help Persons with Disabilities</td>
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<tr>
<td>( ) Address Public Housing Needs</td>
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<tr>
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<td>Homeless/HIV/AIDS</td>
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<tr>
<td>Location</td>
</tr>
<tr>
<td>Expected Completion Date</td>
</tr>
<tr>
<td>Citation</td>
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</table>
## Short-Term Supported Housing Assistance (STSH)

**IDIS Project #** 28

### Project Description

The Short-Term Supported Housing Assistance (STSH) program provides short-term emergency shelter needs to persons living with HIV/AIDS. Short-term facilities provide temporary shelter (up to 60 days in a six month period) to prevent homelessness and allow an opportunity to develop an individualized housing and service plan to guide the client's linkage to permanent housing.

### Accomplishment Description

**Proposed Accomplishment** 45 Households

STSH will provide temporary shelter to eligible individuals to address immediate housing needs. Eligible clients will receive case management services to assist them in securing other types of long-term, permanent, and stable housing.

### Funding

**Fund Source(s)** Housing Opportunities for Persons for AIDS

**FY 2012-13 New Funding** $39,785

### Project Information

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<td>311 Housing information services</td>
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<td>☐ Help the Homeless</td>
<td></td>
</tr>
<tr>
<td>☐ Address Public Housing Needs</td>
<td></td>
</tr>
<tr>
<td>☐ Help Persons with Disabilities</td>
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<table>
<thead>
<tr>
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<th>Eligibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>☑ Homeless/HIV/AIDS</td>
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<tr>
<td>☐ Help the Homeless</td>
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<td>☐ Help Persons with HIV/AIDS</td>
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<td>☐ Address Public Housing Needs</td>
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<td>☐ Help Persons with Disabilities</td>
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<table>
<thead>
<tr>
<th>Objective Category</th>
<th>Outcome Category</th>
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<th>Subrecipient Private</th>
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<td>Affordability</td>
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</table>

<table>
<thead>
<tr>
<th>Expected Completion Date</th>
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</thead>
<tbody>
<tr>
<td>9/30/2013</td>
<td>570.204</td>
<td>Community Wide</td>
</tr>
</tbody>
</table>
The Transitional Housing program is designed to increase stability, reduce homelessness, and increase access to care and support. Transitional Housing provides facility-based and scattered-site housing with support services to persons living with HIV/AIDS. Transitional Housing may not provide housing for any individual for more than 24 months. 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. Case managers ensure that clients are informed of the availability of needed medical and supportive services and provide referrals and assistance in accessing those services. Project Transitions has 30 apartments located in two agency-owned facilities and other apartments that are leased throughout the community.

## Project Description
Transitional Housing will provide eligible households with housing and supportive services to maintain stability and receive appropriate levels of care.

### Funding
- **Fund Source(s):** Housing Opportunities for Persons for AIDS
- **FY 2012-13 New Funding:** $195,000

### Project Information

<table>
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<tr>
<th>Objective Category</th>
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<th>Priority Need Category</th>
<th>Eligibility</th>
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<tbody>
<tr>
<td>Decent Housing</td>
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<td>Subrecipient Private</td>
<td>Homeless/HIV/AIDS</td>
<td>LMC</td>
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<tr>
<td></td>
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<table>
<thead>
<tr>
<th>Expected Completion Date</th>
<th>Citation</th>
<th>Location</th>
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<tbody>
<tr>
<td>9/30/2013</td>
<td>570.204</td>
<td>Community Wide</td>
</tr>
</tbody>
</table>
### Supportive Services

| IDIS Project # | 29 |

#### PROJECT DESCRIPTION

The Supportive Services program and provides residential supportive services to help program participants stabilize their living situation and help address care needs of persons living with HIV/AIDS. The program is designed to increase stability, reduce homelessness and increase access to care and support. 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. Case managers ensure that clients are informed of the availability of needed medical and supportive services. They also provide referrals and assistance in accessing those services. Project Transitions has 30 apartments located in two agency-owned facilities and other apartments are leased throughout the community.

#### ACCOMPLISHMENT DESCRIPTION

**Proposed Accomplishment** 49 Households

Supportive Services will assist persons living with HIV/AIDS to stabilize their living situation and help address care needs.

#### FUNDING

**Fund Source(s)** Housing Opportunities for Persons for AIDS

**FY 2012-13 New Funding** $95,767

#### PROJECT INFORMATION

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<td>☐ Help Persons with Disabilities</td>
<td></td>
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<tr>
<td>☐ Address Public Housing Needs</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Priority Need Category</th>
<th>Eligibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeless/HIV/AIDS</td>
<td>LMC</td>
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<table>
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<tbody>
<tr>
<td>9/30/2013</td>
<td>570.204</td>
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City of Austin FY 2012-13 Action Plan
Chapter 6: Activity Tables

<table>
<thead>
<tr>
<th>Child Care Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>IDIS Project #</td>
</tr>
</tbody>
</table>

**PROJECT DESCRIPTION**
The Austin/Travis County Health and Human Services Department contracts with child care providers for services that increase the supply of quality child care, and with a social service agency that provides a child care voucher for families in crisis such as homelessness. The program provides services to children from low-income families with gross incomes less than 200 percent of Federal Poverty Guidelines who reside within Austin city limits.

**ACCOMPLISHMENT DESCRIPTION**
Child Care Services will increase the supply of child care for low-income families. 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) infants and toddlers (ages 0 - 3 years) in the Early Head Start Program.

**FUNDING**

<table>
<thead>
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<th>Fund Source(s)</th>
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<td>Help Persons with Disabilities</td>
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### Senior Services

<table>
<thead>
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<th>IDIS Project #</th>
<th>21</th>
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</table>

**PROJECT DESCRIPTION**

The Senior Services program provide guardianship services that help prevent and protect seniors from becoming victims of abuse, neglect, or financial exploitation. Persons must meet income, age, and residential eligibility requirements, which requires clients to reside in Austin city limits.

**ACCOMPLISHMENT DESCRIPTION**

**Proposed Accomplishment**: 30 People

Senior Services will provide legal protection for low-income seniors who are at risk of abusive, neglectful, or financially exploitative situations.

**FUNDING**

**Fund Source(s)**: CDBG

**FY 2012-13 New Funding**: $19,588

**PROJECT INFORMATION**

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<td>Help Persons with HIV/AIDS</td>
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**Priority Need Category**

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<tr>
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<th>Outcome Categories</th>
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<th>Eligibility</th>
</tr>
</thead>
<tbody>
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<td>LMC</td>
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**IDIS Project #**

**Proposed Accomplishment**

**Expected Completion Date**: 9/30/2013

**Citation**: 570.201e

**Location**: Community Wide
# Youth Support Services

**IDIS Project #** 24

## PROJECT DESCRIPTION

The Youth Support Services program 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 wraparound services, community-based wraparound services, and summer camps. The program, in partnership with the youth and their family, addresses the needs and challenges of the youth's situation to improve his or her functioning in school, the community, and home. Clients eligible for services must reside in Austin city limits.

## ACCOMPLISHMENT DESCRIPTION

**Proposed Accomplishment** 138 People

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.

## FUNDING

**Fund Source(s)** CDBG  
**FY 2012-13 New Funding** $181,177

## PROJECT INFORMATION

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<td>LMC</td>
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<tr>
<td>Help Persons with Disabilities</td>
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<tr>
<td>Address Public Housing Needs</td>
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<table>
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<th>Outcome Categories</th>
<th>Subrecipient</th>
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<tbody>
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### RENTER ASSISTANCE

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<tr>
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<th>Type of Households Served</th>
<th>FY 2012-13 Goal</th>
<th>Funding Sources</th>
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<tbody>
<tr>
<td>Renter Assistance</td>
<td>High</td>
<td>Persons experiencing homelessness, persons with disabilities, vulnerable populations, and low-income households</td>
<td>496</td>
<td>HOME, CDBG</td>
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</tbody>
</table>
## Tenant-Based Rental Assistance (TBRA)

| IDIS Project # | 22 |

### PROJECT DESCRIPTION

The Tenant-Based Rental Assistance (TBRA) program provides rental housing subsidies and security deposits to eligible families who may otherwise be homeless and meet the income guidelines and reside in Austin city limits.

### ACCOMPLISHMENT DESCRIPTION

**Proposed Accomplishment:** 68 Households

The Austin Housing Finance Corporation (AHFC) will oversee the TBRA program and contracts with The Housing Authority of the City of Austin (HACA) and the Salvation Army to administer program services.

### FUNDING

<table>
<thead>
<tr>
<th>Fund Source(s)</th>
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### PROJECT INFORMATION

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<td>☑ Help the Homeless</td>
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<table>
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<tr>
<td>Citation</td>
<td>92.209</td>
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</table>
The Architectural Barrier Removal (ABR) Program - Rental modifies or retrofits the living quarters of eligible, low-income elderly and severely disabled renters to make their housing more accessible. Households with incomes earning at or below 80 percent MFI are eligible. Eligible households can receive up to $15,000 per year through the ABR Program - Rental.

The ABR Program - Rental will benefit eligible clients by installing physical improvements in housing units to assist with accessibility for daily living.

**Funding**

- **Fund Source(s)**
  - FY 2012-13 New Funding

**Project Information**

<table>
<thead>
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<th>Project Primary Purpose:</th>
<th>Matrix Codes</th>
<th>Priority Need Category</th>
<th>Eligibility</th>
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<tbody>
<tr>
<td>[ ] Help the Homeless</td>
<td>14A Rehab; Single-Unit Residential 570.202</td>
<td>Rental Housing</td>
<td>LMH</td>
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<tr>
<td>[ ] Help Persons with HIV/AIDS</td>
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<td></td>
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</tr>
<tr>
<td>[ ] Help Persons with Disabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>[ ] Address Public Housing Needs</td>
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<td>9/30/2013</td>
<td>570.202</td>
<td>Community Wide</td>
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</table>
### Tenants’ Rights Assistance

**IDIS Project #** 23

#### PROJECT DESCRIPTION

Tenants’ Rights Assistance provides services to tenants residing in Austin city limits. Objectives of this program include: 1) facilitate mediation services between landlords and low- to moderate-income tenants to complete health and safety related repairs in rental units, which will help maintain reasonable habitability standards; 2) provide direct counseling and technical assistance to low-income renters regarding tenant/landlord issues; 3) provide public education and information through workshops and public forums on landlord/tenant relationships and educate renters on their rights as well as their responsibilities under the law; and 4) identify fair housing complaints that can be investigated and may assist in resolving, reducing or minimizing discriminatory housing practices.

#### ACCOMPLISHMENT DESCRIPTION

This program will provide mediation, counseling, public information, and assistance to help the community identify fair housing complaints. The program will also further fair housing in the elimination of discrimination, including the present effects of past discrimination, and the elimination of de facto residential segregation.

#### FUNDING

**FY 2012-13 New Funding** $225,030

#### PROJECT INFORMATION

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<td>Help Persons with HIV/AIDS</td>
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<td>Help Persons with Disabilities</td>
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<td>Address Public Housing Needs</td>
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### HOMEBUYER ASSISTANCE

Consolidated Plan 2009-14 Priority: Renter Assistance

<table>
<thead>
<tr>
<th>Program</th>
<th>Priority for Federal Funds</th>
<th>Type of Households Served</th>
<th>FY 2012-13 Goal</th>
<th>Funding Sources</th>
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<tbody>
<tr>
<td>Homebuyer Assistance</td>
<td>High</td>
<td>Low- and moderate-income households and persons with disabilities</td>
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<td>HOME, HOME-PI</td>
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</tbody>
</table>
### Housing Smarts - Housing Counseling

<table>
<thead>
<tr>
<th>IDIS Project #</th>
<th>-</th>
</tr>
</thead>
</table>

#### PROJECT DESCRIPTION
The Housing Smarts program offers housing counseling to City of Austin residents who earn at or below of 80 percent of MFI. The counseling is offered in English and Spanish. Housing Smarts has two classroom curriculums. The pre-purchase counseling that provides financial literacy skills such as budgeting and credit, and mortgage finance; and the post-purchase class provides foreclosure prevention counseling to homeowners who may find themselves at risk of losing their homes. Housing Smarts also offers individual one-on-one counseling sessions to both pre and post purchase participants. The last component of Housing Smarts is the train-the-trainer scholarship offered to community non-profits that want to address housing financial literacy issues in their individual communities.

#### ACCOMPLISHMENT DESCRIPTION
The program's class participants will receive certified home buyer education from a nationally ranked curriculum. Those completing all nine hours of instruction will receive a certificate of completion that satisfies the homebuyer education component for many local mortgage lenders. Pre-purchase one-on-one counseling sessions will provide counseling to potential homebuyers to assist in the home buying process. Post purchase counseling will assist current homebuyers maintain homeownership, including necessary advocacy regarding foreclosure prevention.

#### FUNDING

<table>
<thead>
<tr>
<th>Fund Source(s)</th>
<th>FY 2012-13 New Funding</th>
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#### PROJECT INFORMATION

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<tbody>
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<td>Local Government</td>
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</tr>
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</table>
## Down Payment Assistance (DPA)

**PROJECT DESCRIPTION**

The Down Payment Assistance (DPA) program provides deferred payment 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 of MFI and is available in two options: Option 1) The amount of assistance per household will not exceed $14,999 per household. 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 five-year affordability period or before the maturity date.

Option 2) DPA funds from $15,000 and up to $40,000, as a deferred payment, 30-year, and zero percent interest loan, with a shared-equity provision. The City of Austin has the “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 ten-year affordability period or before the maturity date. Eligible income for DPA is at or below 80 percent of MFI.

### PROPOSED ACCOMPLISHMENT DESCRIPTION

Proposed Accomplishment: 15 Households

The DPA Program will enable potential homeowners to overcome the obstacles preventing them from obtaining a home by providing assistance with down payment, closing costs, prepaid expenses, and/or mortgage assistance. Outreach for this program is done through community presentations, housing fairs, lender and real estate agent trainings, and to public housing authority residents. One-on-one program education with staff or legal representation regarding details of the program will be required for homeowners that utilize Option 2 with a shared-equity and “right of first refusal.” All Down Payment Assistance participants must participate in homebuyer counseling through the Housing Smarts program or any other approved program. The DPA program uses HOME funds that provide direct financial assistance to homebuyers and will use the “recapture” method combined with a shared appreciation model, this ensures that HOME funds are returned for other HOME-eligible activities.

### FUNDING

**Fund Source(s)** HOME, HOME-PI

**FY 2012-13 New Funding** $638,043

### PROJECT INFORMATION

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<td>Help Persons with Disabilities</td>
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<td>Address Public Housing Needs</td>
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### HOMEOWNER ASSISTANCE

**Consolidated Plan 2009-14 Priority: Homeowner Assistance**

<table>
<thead>
<tr>
<th>Program</th>
<th>Priority for Federal Funds</th>
<th>Type of Households Served</th>
<th>FY 2012-13 Goal</th>
<th>Funding Sources</th>
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<td>Homeowner Assistance</td>
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<td>Low- and moderate-income homeowners and persons with disabilities</td>
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</table>
### Architectural Barrier Removal (ABR) Program - Owner

**IDIS Project #** 3

#### PROJECT DESCRIPTION

The Architectural Barrier Removal (ABR) Program - Owner modifies or retrofits the living quarters of eligible, low-income elderly and severely disabled homeowners to make their housing more accessible. Households with incomes earning at or below 80 percent of MFI are eligible. Eligible households can receive up to $15,000 per year through the ABR Program - Owner.

#### ACCOMPLISHMENT DESCRIPTION

**Proposed Accomplishment** 111 Households

The ABR Program - Owner will benefit eligible clients by installing physical improvements in housing units to assist with accessibility for daily living.

#### FUNDING

**Fund Source(s)** CDBG

**FY 2012-13 New Funding** $1,509,653

#### PROJECT INFORMATION

<table>
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<td>14A Rehab; Single-Unit Residential 570.202</td>
<td>Owner Occupied Housing</td>
<td>LMH</td>
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<td>Help Persons with HIV/AIDS</td>
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<td>Help Persons with Disabilities</td>
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<td>Address Public Housing Needs</td>
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**Expected Completion Date** 9/30/2013

**Citation** 570.202

**Location** Community Wide
# Emergency Home Repair (EHR) Program

## PROJECT DESCRIPTION

The Emergency Home Repair (EHR) Program makes repairs to alleviate life-threatening living conditions and health and safety hazards for low- and moderate-income homeowners. Households residing in Austin city limits and earning incomes at or below 80 percent of MFI are eligible. Eligible households can receive up to $5,000 per year.

## ACCOMPLISHMENT DESCRIPTION

**Proposed Accomplishment**: 475 Households

Households that are owner-occupied and low- to moderate-income will receive home repairs to alleviate life-threatening conditions or health and safety hazards.

## FUNDING

**Fund Source(s)**: CDBG  
**FY 2012-13 New Funding**: $1,000,000

## PROJECT INFORMATION

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### Homeowner Rehabilitation Loan Program (HRLP)

**IDIS Project #** 15

<table>
<thead>
<tr>
<th>Proposed Accomplishment</th>
<th>10 Households</th>
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</table>

**Project Description**

The Homeowner Rehabilitation Loan Program (HRLP) assists income-eligible homeowners with substantial repairs such as foundation repair, roofing, plumbing, and electrical work. This program provides deferred interest loans of up to $75,000, and up to $29,999 may be forgivable after ten years. In addition, households in need of demolition and re-build may receive assistance of up to $110,000. This rehabilitation amount does not include funds that may be granted to assist with the appropriate treatment of lead-based paint. Eligible income for HRLP is at or below 80 percent MFI.

**Accomplishment Description**

HRLP uses HOME funds that provide direct financial assistance to homeowners and will use the “recapture” method combined with a shared appreciation model, this ensures that HOME funds are returned for other HOME-eligible activities.

**Funding**

**Fund Source(s)** HOME, HOME-PI, CDBG-RL

**FY 2012-13 New Funding** $844,544

**Project Information**

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<td>Help Persons with Disabilities</td>
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<td>Address Public Housing Needs</td>
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<table>
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<td>Owner Occupied Housing</td>
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### LeadSmart Program

**IDIS Project #**  -  

**PROJECT DESCRIPTION**
The LeadSmart Program provides lead hazard control services to eligible households. The program targets low-income homeowners and renters at or below 80 percent of MFI, that house children under the age of six in houses built prior to 1978.

**ACCOMPLISHMENT DESCRIPTION**
**Proposed Accomplishment**  60 Households

The LeadSmart Program will provide abatement services to eligible households.

**FUNDING**

<table>
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**PROJECT INFORMATION**

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<th>Outcome Categories</th>
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<tr>
<td>Help Persons with Disabilities</td>
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**Priority Need Category**
- Owner Occupied Housing
- LMH
### G.O. Repair! Program

**IDIS Project #**: 6

**PROJECT DESCRIPTION**

The G.O. Repair! Program addresses substandard housing conditions for low- and moderate-income homeowners residing in Austin city limits. The program provides financial assistance to make repairs that will eliminate health and safety hazards and/or provide improved accessibility.

**ACCOMPLISHMENT DESCRIPTION**

**Proposed Accomplishment**: 26 Households

The program will provide up to $15,000 per home for repairs.

**FUNDING**

- **Fund Source(s)**: CDBG
- **FY 2012-13 New Funding**: $400,000

**PROJECT INFORMATION**

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<td>LMH</td>
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<tr>
<td>Help Persons with HIV/AIDS</td>
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<td>Help Persons with Disabilities</td>
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<td>Address Public Housing Needs</td>
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<td>Holly Good Neighbor Program</td>
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<td>----------------------------</td>
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<tr>
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<tr>
<td><strong>PROJECT DESCRIPTION</strong></td>
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<tr>
<td>The Holly Good Neighbor program provides repairs and rehabilitation to home owners residing near the Holly Power Plant. Austin Energy funds the program, administered by the Austin Housing Finance Corporation (AHFC). Eligible repairs include: exterior paint, roofing, electrical system work, plumbing, foundation work, and solar panels installation. Applicant’s gross annual household income may not exceed 100 percent of MFI. Total project assistance from the program for a home can not exceed $50,000. Projects funded less than $15,000 will be a grant, between $15,001 and $50,000, a 10-year deferred, forgivable loan.</td>
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</table>

| **ACCOMPLISHMENT DESCRIPTION** |
| Proposed Accomplishment | - Households |
| The Holly Good Neighbor Program will be used to assist low- and moderate-income residents in the Holly Neighborhood with substantial home repairs. This program serves to improve and revitalize the Holly Neighborhood. |

| **FUNDING** |
| Fund Source(s) | FY 2012-13 New Funding |

| **PROJECT INFORMATION** |
| Project Primary Purpose: |
| Help the Homeless |
| Help Persons with HIV/AIDS |
| Help Persons with Disabilities |
| Address Public Housing Needs |
| Objective Category | Outcome Categories | Subrecipient |
| Suitable Living Environment | Sustainability | N/A |
| Priority Need Category | Eligibility |
| Not Applicable with Non-Federal Funds | N/A |
| Expected Completion Date | Citation |
| 9/30/2013 | N/A |
| Location | Location |
| Community Wide | Community Wide |
## HOUSING DEVELOPER ASSISTANCE

Consolidated Plan 2009-14 Priority: Housing Developer Assistance

<table>
<thead>
<tr>
<th>Program</th>
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<th>Type of Households Served</th>
<th>FY 2012-13 Goal</th>
<th>Funding Sources</th>
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<tbody>
<tr>
<td>Housing Developer Assistance</td>
<td>High</td>
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### Rental Housing Development Assistance (RHDA)

<table>
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<tr>
<th>IDIS Project #</th>
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</table>

#### PROJECT DESCRIPTION

The Rental Housing Development Assistance (RHDA) program provides opportunities to create and retain affordable rental units for low- and moderate-income households and low-income persons with special needs. RHDA provides below-market-rate financing to for-profit and non-profit developers for the acquisition, new construction, or rehabilitation of affordable rental projects. RHDA serves households at or below 50 percent of MFI with a target of serving households at or below 30 percent of MFI.

#### ACCOMPLISHMENT DESCRIPTION

**Proposed Accomplishment**: 13 Households

RHDA will increase the supply of affordable rental units for income-eligible households.

#### FUNDING

<table>
<thead>
<tr>
<th>Fund Source(s)</th>
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#### PROJECT INFORMATION

**Project Primary Purpose:**
- [X] Help the Homeless
- [X] Help Persons with HIV/AIDS
- [X] Help Persons with Disabilities
- [ ] Address Public Housing Needs

**Matrix Codes**

<table>
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<th>Priority Need Category</th>
<th>Eligibility</th>
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</thead>
<tbody>
<tr>
<td>Rental Housing</td>
<td>LMH</td>
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</table>

**Objective Category**
- [ ] Decent Housing

**Outcome Categories**
- [ ] Affordability

**Subrecipient**
- Subrecipient Private

**Expected Completion Date**: 9/30/2013

**Citation**: 570.201m

**Location**: Community Wide
### Acquisition and Development (A&D)

<table>
<thead>
<tr>
<th>IDIS Project #</th>
<th>1</th>
</tr>
</thead>
</table>

**PROJECT DESCRIPTION**

The Acquisition and Development (A&D) program works with lenders, for-profit, and non-profit developers to leverage City and federal funds to increase homeownership opportunities for low- to moderate-income buyers. Activities of the A&D program include: 1) the acquisition and development of land; 2) the acquisition and rehabilitation of residential structures; 3) the acquisition of new or existing housing units; and 4) the construction of new housing, all for sale to income-eligible households at or below 80 percent of MFI.

**ACCOMPLISHMENT DESCRIPTION**

**Proposed Accomplishment**

4 Households

A&D will increase the supply of affordable homeownership units for income-eligible households. A&D activities using HOME funds that provide direct financial assistance to homebuyers will use the "recapture" method combined with a shared appreciation model, this ensures that HOME funds are returned for other HOME-eligible activities. For A&D activities using HOME funds that provide funding to a developer, the 'resale' method will be used.

**FUNDING**

- **Fund Source(s)**: CDBG, HOME, HOME (CHDO)
- **FY 2012-13 New Funding**: $424,154

**PROJECT INFORMATION**

<table>
<thead>
<tr>
<th>IDIS Project #</th>
<th>Project Primary Purpose:</th>
<th>Matrix Codes</th>
<th>Priority Need Category</th>
<th>Eligibility</th>
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<tbody>
<tr>
<td>1</td>
<td>Help the Homeless</td>
<td>12 Construction of Housing 570.201(m)</td>
<td>Homeownership</td>
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<td></td>
<td>Help Persons with HIV/AIDS</td>
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<td></td>
<td></td>
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<tr>
<td></td>
<td>Help Persons with Disabilities</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Address Public Housing Needs</td>
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</tbody>
</table>

- **Objective Category**: Decent Housing
- **Outcome Categories**: Affordability
- **Subrecipient**: Subrecipient Public 570.500c
- **Expected Completion Date**: 9/30/2013
- **Citation**: 570.201m
- **Location**: Community Wide
## CHDO Operating Expenses Grants

### Project Description

The CHDO Operating Expense Grants program provides financial support to eligible, City-certified Community Housing Development Organizations (CHDOs) actively involved in housing production or expected to begin production within 24 months. Under the terms of the grant, CHDOs must access CHDO set-aside funds to produce affordable housing for the community.

### Accomplishment Description

Eligible CHDOs will receive financial assistance to support their operations as affordable housing providers. Financial support to CHDOs allows them to maintain or increase their capacity to create affordable rental and homeownership units.

### Funding

Fund Source(s): HOME (CO)  
FY 2012-13 New Funding: $100,000

### Project Information

<table>
<thead>
<tr>
<th>Project Primary Purpose</th>
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</thead>
<tbody>
<tr>
<td>□ Help the Homeless</td>
<td>211 HOME CHDO Operating Expenses (subject to 5% cap)</td>
<td>Homeownership</td>
<td>LMH</td>
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<tr>
<td>□ Help Persons with HIV/AIDS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>□ Help Persons with Disabilities</td>
<td></td>
<td></td>
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<tr>
<td>□ Address Public Housing Needs</td>
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<table>
<thead>
<tr>
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<th>Outcome Categories</th>
<th>Subrecipient</th>
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<tr>
<td>Decent Housing</td>
<td>Affordability</td>
<td>Subrecipient Public 570.500c</td>
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<tr>
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<tbody>
<tr>
<td>Community Wide</td>
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</table>
### Developer Incentive Programs

<table>
<thead>
<tr>
<th>IDIS Project #</th>
<th>-</th>
</tr>
</thead>
</table>

#### PROJECT DESCRIPTION

The Developer Incentive-Based Program provides incentives for housing developers to develop affordable rental and homebuyer housing in market rate developments. The current program format includes six developer incentive programs that offer development incentives for affordable 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 meet provide 10 percent of development as affordable housing for 40 years.

3) **Downtown Density Bonus** - The City is in the process of designing a density bonus program to encourage affordable housing downtown.

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 a 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 Austin 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 must 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.

#### ACCOMPLISHMENT DESCRIPTION

**Proposed Accomplishment**

Households

The City’s S.M.A.R.T. Housing™ program will provide fee waivers, fast-track reviews, problem-solving assistance, and regulatory reviews that facilitate the construction of rental and homeownership that serve households at or below 80 percent of MFI, or at or below 120 percent of MFI in the Central Business District. The additional developer incentive programs will encourage the development of affordable housing through density and height bonuses.

#### FUNDING

**FY 2012-13 New Funding Total**

- **Fund Source(s)**
  
  - N/A

#### PROJECT INFORMATION

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<tr>
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<tr>
<td>Help Persons with HIV/AIDS</td>
<td>Not Applicable with Non-Federal Funds</td>
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<tr>
<td>Help Persons with Disabilities</td>
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<tr>
<td>Address Public Housing Needs</td>
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</table>

<table>
<thead>
<tr>
<th>Objective Category</th>
<th>Outcome Categories</th>
<th>Subrecipient</th>
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</thead>
<tbody>
<tr>
<td>Decent Housing</td>
<td>Affordability</td>
<td>Community Wide</td>
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</table>

<table>
<thead>
<tr>
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**Expected Completion Date**: 9/30/2013

**Citation**: N/A

**Location**: Community Wide
### COMMERCIAL REVITALIZATION

Consolidated Plan 2009-14 Priority: Commercial Revitalization

<table>
<thead>
<tr>
<th>Program</th>
<th>Priority for Federal Funds</th>
<th>Type of Households Served</th>
<th>FY 2012-13 Goal</th>
<th>Funding Sources</th>
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<tbody>
<tr>
<td>Commercial Revitalization</td>
<td>High</td>
<td>Low- and moderate-income households and small businesses</td>
<td>2,170</td>
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</table>
### East 11th and 12th Streets Revitalization: Acquisition and Development

<table>
<thead>
<tr>
<th>IDIS Project #</th>
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</table>

#### PROJECT DESCRIPTION
The East 11th and 12th Streets redevelopment plan identifies projects and programs that will lead to a sustained, improved and culturally rich area. The redevelopment plan is slated for completion in year 2018.

#### ACCOMPLISHMENT DESCRIPTION

**Proposal Accomplishment**: There are no new job creation and/or retention activities identified for FY 2012-2013.

The Acquisition and Development portion of the East 11th and 12th Streets Revitalization project continues in FY 2012-13 to maintain and dispose of property acquired in previous years. Upon transfer of property for development, job creation or retention for low- to moderate-income individuals are required as project performance goals. The City of Austin has commissioned a market study to provide a development strategy for the East 11th and 12th Street Corridors.

#### FUNDING

**Fund Source(s)**

- FY 2012-13 New Funding

#### PROJECT INFORMATION

<table>
<thead>
<tr>
<th>Objective Category</th>
<th>Outcome Categories</th>
<th>Subrecipient</th>
<th>Priority Need Category</th>
<th>Eligibility</th>
<th>Matrix Codes</th>
<th>Location</th>
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</thead>
<tbody>
<tr>
<td>Creating Economic Opportunities</td>
<td>Sustainability</td>
<td>LMJ</td>
<td>Economic Development</td>
<td>Other</td>
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<tr>
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<td>Help Persons with HIV/AIDS</td>
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<td></td>
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<tr>
<td>Help Persons with Disabilities</td>
<td>Address Public Housing Needs</td>
<td></td>
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<tr>
<td>Help Persons with Disabilities</td>
<td>Address Public Housing Needs</td>
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**FY 2012-13 New Funding**

- 7
- 9/30/2013
- Expected Completion Date 9/30/2013
- Citation 570.201b
- Location Census Tracts: 0000804; County: 48453
**East 11th and 12th Streets Revitalization: Historic Preservation**

**IDIS Project #** 26

<table>
<thead>
<tr>
<th><strong>PROJECT DESCRIPTION</strong></th>
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</thead>
<tbody>
<tr>
<td>The East 11th and 12th Streets redevelopment plan identifies projects and programs that will lead to a sustained, improved and culturally rich area. The redevelopment plan is slated for completion in year 2018.</td>
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**ACCOMPLISHMENT DESCRIPTION**

<table>
<thead>
<tr>
<th>Proposed Accomplishment</th>
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<tbody>
<tr>
<td>Organization</td>
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The goal is to complete one historic renovation along the East 11th and 12th Streets identified in the City’s FY 2009-10 Action Plan.

<table>
<thead>
<tr>
<th><strong>FUNDING</strong></th>
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<tbody>
<tr>
<td><strong>FY 2012-13 New Funding</strong></td>
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</table>

<table>
<thead>
<tr>
<th><strong>PROJECT INFORMATION</strong></th>
</tr>
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<tbody>
<tr>
<td><strong>Objective Category</strong></td>
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<tr>
<td>Creating Economic Opportunities</td>
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</table>

| **Outcome Categories** |
| Sustainability |

<table>
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<tr>
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<tbody>
<tr>
<td>16B Non-Residential Historic Preservation 570.202(d)</td>
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| **Priority Need Category** |
| Economic Development |

| **Eligibility** |
| SBA |

| **Expected Completion Date** |
| 9/30/2013 |

| **Citation** |
| 570.208b(1) |

| **Location** |
| Census Tracts: 0000803; 0000804; 0000809; County: 48453 |

---

**Help the Homeless**

**Help Persons with HIV/AIDS**

**Help Persons with Disabilities**

**Address Public Housing Needs**

---

6-39
The East 11th and 12th Streets redevelopment plan identifies projects and programs that will lead to a sustained, improved and culturally rich area. The redevelopment plan is slated for completion in year 2018.

The goal is to complete the rehabilitation of the Dedrick-Hamilton House to be utilized as the Visitor’s Bureau for the African-American Cultural and Heritage Facility and will serve as the anchor for the newly created African-American Cultural Heritage District (the District). The facility is expected to house two local non-profits and will also offer public benefit services/programs for the area, which is primarily a residential neighborhood. The proposed facility will serve an estimated 16,000 households that are within the defined service area in the District.

<table>
<thead>
<tr>
<th>Objective Category</th>
<th>Outcome Categories</th>
<th>Subrecipient</th>
<th>Citation</th>
<th>Location</th>
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<tbody>
<tr>
<td>Creating Economic Opportunities</td>
<td>Sustainability</td>
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<table>
<thead>
<tr>
<th>Priority Need Category</th>
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<tbody>
<tr>
<td>Economic Development</td>
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<table>
<thead>
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<th>Matrix Codes</th>
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<tbody>
<tr>
<td>03E Neighborhood Facilities 570.201(c)</td>
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<table>
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<th>Project Primary Purpose:</th>
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<tbody>
<tr>
<td>Help the Homeless</td>
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<table>
<thead>
<tr>
<th>Project Information</th>
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<tr>
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<td>FUNDING</td>
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<td>FY 2012-13 New Funding</td>
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IDIS Project # 43

The East 11th and 12th Streets Revitalization: Public Facilities

<table>
<thead>
<tr>
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<th>43</th>
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<table>
<thead>
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<th>PROJECT DESCRIPTION</th>
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<tbody>
<tr>
<td>The East 11th and 12th Streets redevelopment plan identifies projects and programs that will lead to a sustained, improved and culturally rich area. The redevelopment plan is slated for completion in year 2018.</td>
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</table>

<table>
<thead>
<tr>
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<tbody>
<tr>
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<tr>
<td>- Public Facility</td>
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<table>
<thead>
<tr>
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<tbody>
<tr>
<td>CDBG</td>
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<table>
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<tr>
<td>Help Persons with Disabilities</td>
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<table>
<thead>
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<th>Eligibility</th>
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</thead>
<tbody>
<tr>
<td>Economic Development</td>
<td>LMA</td>
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<table>
<thead>
<tr>
<th>Matrix Codes</th>
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<tr>
<td>03E Neighborhood Facilities 570.201(c)</td>
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<tr>
<th>Location</th>
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<td>Census Tracts: 0000804; County: 48453</td>
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<tr>
<td>IDIS Project #</td>
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</tbody>
</table>

**PROJECT DESCRIPTION**

The East 11th and 12th Streets redevelopment plan identifies projects and programs that will lead to a sustained, improved and culturally rich area. The redevelopment plan is slated for completion in year 2018.

**ACCOMPLISHMENT DESCRIPTION**

**Proposed Accomplishment:** 2,170 People

The Parking Facilities activity will provide funds to lease a community parking lot(s) and/or create a new parking facility in the revitalization area, which will support the area’s economic development. The proposed goal for FY 2012-13 is based on the number of persons residing in the defined service area of the parking facility where at least 51 percent of the households are low- and moderate-income.

**FUNDING**

**Fund Source(s):** CDBG

**FY 2012-13 New Funding**

**PROJECT INFORMATION**

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<td>☐ Address Public Housing Needs</td>
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<table>
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<table>
<thead>
<tr>
<th>Objective Category</th>
<th>Outcome Categories</th>
<th>Subrecipient</th>
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<tbody>
<tr>
<td>Creating Economic Opportunities</td>
<td>Sustainability</td>
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<table>
<thead>
<tr>
<th>Expected Completion Date</th>
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<tbody>
<tr>
<td>9/30/2013</td>
<td>570.201c</td>
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## SMALL BUSINESS ASSISTANCE

Consolidated Plan 2009-14 Priority: Small Business Development

<table>
<thead>
<tr>
<th>Program</th>
<th>Priority for Federal Funds</th>
<th>Type of Households Served</th>
<th>FY 2012-13 Goal</th>
<th>Funding Sources</th>
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</thead>
<tbody>
<tr>
<td>Small Business Assistance</td>
<td>High</td>
<td>Small businesses and job creation for low-income households</td>
<td>59</td>
<td>CDBG</td>
</tr>
</tbody>
</table>
### Community Development Bank (CDB)

| IDIS Project # | 9 |

**PROJECT DESCRIPTION**

The Community Development Bank (CDB) provides funds to a Community Development Financial Institution (CDFI) to administer loan programs offering flexible capital and technical assistance to small and minority businesses that are expanding or relocating to low-income areas.

**ACCOMPLISHMENT DESCRIPTION**

Proposed Accomplishment: 6 Jobs

The program will create or retain jobs for low- to moderate-income individuals.

**FUNDING**

- **Fund Source(s):** CDBG
- **FY 2012-13 New Funding:** $150,000

**PROJECT INFORMATION**

<table>
<thead>
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<td>Private 570.500c</td>
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<td>570.203(b)</td>
<td>Community Wide</td>
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<td>Help Persons with HIV/AIDS</td>
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<tr>
<td>Help Persons with Disabilities</td>
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<tr>
<td>Address Public Housing Needs</td>
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</tbody>
</table>

**Matrix Codes**

- Priority Need Category: Economic Development
- Eligibility: LMJ

**Outcome Categories**

- Creating Economic Opportunities
- Availability/Accessibility
## Microenterprise Technical Assistance

**IDIS Project #** 16

### Project Description

The Microenterprise Technical Assistance program provides operational funds for the administration of training and technical assistance for qualified microenterprises in the City of Austin. HUD defines a Microenterprise as either: 1) a business with five or fewer employees, one being the owner, or 2) an individual who is actively working towards developing a business that is expected to be a Microenterprise.

### Accomplishment Description

**Proposed Accomplishment** 33 Businesses

The program will provide training and technical assistance to current and aspiring Microenterprises.

### Funding

**Fund Source(s)** CDBG  
**FY 2012-13 New Funding** $200,000

### Project Information

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<tr>
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<td>18A ED Direct Financial Assistance to For-Profits 570.203(b)</td>
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<table>
<thead>
<tr>
<th>Location</th>
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### Family Business Loan Program

| IDIS Project # | - |

### PROJECT DESCRIPTION

The Family Business Loan Program (FBLP), a public-private partnership loan program provides fixed-asset and working capital loans to qualified small-business borrowers in Austin. The lending partners are a private bank member of the Federal Home Loan Bank, an SBA Certified CDC Section 504 community lender, and the City of Austin’s Economic Growth and Redevelopment Services Office (EGRSO). The FBLP’s goals are to: foster business expansions in low- and moderate-income neighborhoods, stimulate low- to moderate-income job creation, and increase Austin’s tax base. The FBLP is targeted to Austin business owners that are ready to expand their business and create jobs.

### ACCOMPLISHMENT DESCRIPTION

| Proposed Accomplishment | 20 Jobs |

The FBLP will create and retain jobs for low- and moderate-income individuals.

### FUNDING

| Fund Source(s) | Section 108 |

| FY 2012-13 New Funding |

### PROJECT INFORMATION

<table>
<thead>
<tr>
<th>Project Primary Purpose:</th>
<th>Matrix Codes</th>
<th>Priority Need Category</th>
<th>Subrecipient</th>
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<tbody>
<tr>
<td>Help the Homeless</td>
<td>18A ED Direct Financial Assistance to For-Profits 570.203(b)</td>
<td>Economic Development</td>
<td>Subrecipient Private 570.500c</td>
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<tr>
<td>Help Persons with HIV/AIDS</td>
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<tr>
<td>Help Persons with Disabilities</td>
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<tr>
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<table>
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<tr>
<th>Objective Category</th>
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<tbody>
<tr>
<td>Creating Economic Opportunities</td>
<td>Sustainability</td>
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<table>
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<th>Eligibility</th>
<th>Citation</th>
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<tbody>
<tr>
<td>LMJ</td>
<td>570.201a</td>
<td>Community Wide</td>
</tr>
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</table>

| Expected Completion Date | 9/30/2013 |

<table>
<thead>
<tr>
<th>Location</th>
</tr>
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<tr>
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# FINANCIAL EMPOWERMENT

<table>
<thead>
<tr>
<th>Program</th>
<th>Priority for Federal Funds</th>
<th>Type of Households Served</th>
<th>FY 2012-13 Goal</th>
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<tr>
<td>Financial Empowerment</td>
<td>High</td>
<td>Low- and moderate-income households</td>
<td>68</td>
<td>IDA</td>
</tr>
<tr>
<td>IDIS Project #</td>
<td>-</td>
<td></td>
<td></td>
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**PROJECT DESCRIPTION**

The IDA Program provides assistance to low- and moderate-income households in saving for qualified program expenses, including home purchase costs, higher education, and expenses related to a small business development. Because the participants’ deposits are matched, the account can grow substantially in proportion to the amount deposited on a regular basis. IDAs can be used to buy a first home, pay for college or other training, and start or expand a small business. Participants receive financial training and coaching on family budgeting, consumer issues, debt and credit counseling, using mainstream financial products, accessing refundable tax credits, and accessing other benefits and services.

**ACCOMPLISHMENT DESCRIPTION**

**Proposed Accomplishment**

The IDA Program provides assistance to low- and moderate-income households in saving for qualified program expenses, including home purchase costs, higher education, and expenses related to a small business development.

**FUNDING**

**Fund Source(s)**

FY 2012-13 New Funding

**PROJECT INFORMATION**

<table>
<thead>
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<th>Project Primary Purpose:</th>
<th>Matrix Codes</th>
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<td>LMJ</td>
<td>Creating Economic Opportunities</td>
<td>Sustainability</td>
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**PROJECT DESCRIPTION**

After initially funding Neighborhood Commercial Management Program (NCMP) with CDBG funds, the City of Austin secured a $2,000,000 HUD Section 108 Loan Guarantee to support NCMP. The primary source of repayment for FY 2012-13 will be from expired Section 108 loan proceeds. Future loan repayments will be made with future CDBG funds for a 20-year period ending in 2026.

**FUNDING**

<table>
<thead>
<tr>
<th>Fund Source(s)</th>
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<tr>
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**PROJECT INFORMATION**

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<tr>
<td>☐ Help Persons with Disabilities</td>
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<tr>
<td>☐ Address Public Housing Needs</td>
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<table>
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<tbody>
<tr>
<td>Citation</td>
<td>570.705c</td>
</tr>
<tr>
<td>Location</td>
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</table>
### East 11th and 12th Street Revitalization Debt Service

**IDIS Project #** 11

**PROJECT DESCRIPTION**
The City secured a $9,350,000 HUD Section 108 Loan Guarantee to implement the East 11th and 12th Streets Revitalization Project. The source for repayment of the Section 108 Loan will be from small business loan repayments and current and future CDBG funds for a 20-year period ending in 2017.

**FUNDING**
- **Fund Source(s):** CDBG, Section 108-PI, CDBG-PI
- **FY 2012-13 New Funding:** $890,962

**PROJECT INFORMATION**

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- **Objective Category:** Not Applicable
- **Outcome Categories:** Not Applicable
- **Subrecipient:** Local Government
- **Expected Completion Date:** 9/30/2013
- **Citation:** 570.705c
- **Location:** Community Wide

**PROJECT DESCRIPTION**
The City secured a $9,350,000 HUD Section 108 Loan Guarantee to implement the East 11th and 12th Streets Revitalization Project. The source for repayment of the Section 108 Loan will be from small business loan repayments and current and future CDBG funds for a 20-year period ending in 2017.
Family Business Loan Debt Service

<table>
<thead>
<tr>
<th>IDIS Project #</th>
<th>-</th>
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**PROJECT DESCRIPTION**
The City secured a $3,000,000 HUD Section 108 Loan Guarantee to establish a family business loan program that will make small business and micro loans to third-party, family owned business borrowers. The source for repayment of the Section 108 Loan will be from small business loan repayments.

**FUNDING**

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**PROJECT INFORMATION**

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<td>9/30/2013</td>
<td>570.705c</td>
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Appendix I: Public Input Process
Appendix I-A: Community Needs Assessment Period
1. Lend a Word
What is the most critical need facing your community? Submit your idea online and check back in April to see what Austinites are saying.

2. Rank Your Priorities
What should be a priority? Helping residents buy and keep a home or invest in local businesses and new jobs? Tell us what you think. Rank priorities online.

3. Create a Conversation:
- Financial Empowerment in Austin - March 30, 2012
- Healthy Homes & Home Repair - April 13, 2012
- Affordable Housing Across Austin - April 24, 2012
Times and locations: www.austintexas.gov/housing.

4. Host a Meeting
Be a community needs champion. We invite you to host a brief exercise at your next neighborhood association meeting, professional gathering, church get-together, PTA event or any other group gathering. We will provide you with a kit and activities for participants to discuss community needs in Austin. Find details online.

5. Voice Your Ideas
Public hearings will be conducted before the Community Development Commission and the Austin City Council on the City’s Community Needs Assessment and the Draft Action. Find dates and locations online.

6. Give Us Comments
Submit comments by email to NHCD@austintexas.gov or by mail to: NHCD Attn: Action Plan, P.O. Box 1088, Austin, TX 78767. Deadline to submit comments is April 27, 2012.
Tight Power Supplies Projected for Summer

The state electric grid operator, the Electric Reliability Council of Texas (ERCOT), says the forecast for above-average summer temperatures for Texas this year means power supplies will be tight. ERCOT increased its projection for this summer’s peak demand to within 900 megawatts of the all-time peak demand set last summer. ERCOT says it expects generation in the state will be sufficient to meet the peak demand this summer—unless there are above, normal generation outages.

Conserve between 3:00-7:00 p.m. Last summer, with record heat, ERCOT had to frequently issue alerts and requests for statewide energy conservation on weekday afternoons because generation reserves had fallen below target levels. A number of Austin businesses including Target, HEB, Whole Foods, Brown Distributing, Pearson Education and Austin Water Utility participate in an Austin Energy program to reduce their electricity use during periods of tight statewide power supplies. A number of other businesses and residential customers took voluntary actions such as turning off lights and reducing air conditioning levels. On several afternoons last summer, the state came close to the need for statewide rotating blackouts because of unexpected power plant outages. It is widely recognized that energy conservation across Texas played a key role in preventing the need for that emergency action.

Power Saver Volunteer Some 6,000 Austin Energy customers are Power Saver Volunteers. These customers pledge to conserve where possible when notified (telephone, email or text message) that power supplies are tight. If all residential customers turned off just two 40-watt light bulbs, the energy reduction would power more than 3,000 homes. To sign up, call 482-5346.

Community Career Expo
Creating Lifelong Connections to Work

Goodwill Industries of Central Texas together with the Austin Mayor’s Committee for People with Disabilities, the Texas Department of Assistive and Rehabilitative Services, and Workforce Solutions – Capital Area will host the Fourteenth Annual Community Career Expo on May 1, 9 a.m. – 3 p.m. at the Goodwill Community Center on 1015 Norwood Park Blvd. This event is free and open to the public.

The Community Career Expo is a tremendous opportunity for both employers and job seekers to find a good fit. Interested participants may visit www.austingoodwill.org for more information and to pre-register, or call Ryan Bullock at 512-681-3347.

$50 for Your OLD Refrigerator

Austin Energy will pay you $50 for each old, standard-size (between 14-27 cubic feet), working refrigerator or freezer; limit two per customer. Just call 1-800-452-8685 to arrange for a pick up. To date, we have collected more than 15,000 of these energy guzzlers. Next to heating, cooling and hot water, refrigerators and freezers use more electricity than any other home appliance. Refrigerators that are at least 15 years old use about twice the electricity of today’s new energy efficient models.

FOLLOW US!
For energy saving tips, information on rebates, updates on outages and details on services on these popular social networks:

facebook www.facebook.com/austinenergy
twitter www.twitter.com/austinenergy
You Tube www.youtube.com/user/austinenergy

TAKE ACTION! HELP PRIORITIZE AUSTIN’S COMMUNITY NEEDS

Your feedback is an essential part of the City’s plan to assist Austin’s low-income families. The Neighborhood Housing and Community Development Office provides programs and services to support affordable housing, job creation and public services for persons with disabilities, seniors and youth.

Community input helps drive local and federal investment decisions in order to address Austin’s needs. You may provide your ideas through a number of ways from April through June by participating in public hearings, neighborhood meetings, City forums and workshops, as well as giving feedback in writing and online.

Your input helps drive our Action Plan.

Learn more at www.austintexas.gov/housing.
Click on the “Take Action” button on the front page of the website or call 512-974-3100 for more information.
Fiscal Year 2012-13

Action Plan

Neighborhood Housing and Community Development Office

Presented to Boards and Commissions
Key Federal Reports

5-Year Consolidated Plan
• City’s 5-year plan to address the community’s most critical housing and community and economic development and public services needs. The goals and strategies outlined in each Con Plan are the result of an extensive public input process.

Action Plan
• Outlines specific goals and priorities for the following fiscal year, based on the strategies outlined in the 5-Year Consolidated Plan.
• City’s application for four entitlement grants:
  – Community Development Block Grant (CDBG)
  – HOME Investment Partnership (HOME)
  – Emergency Solutions Grant (ESG)
  – Housing Opportunities for Persons with AIDS (HOPWA).

CAPER
• At the end of each fiscal year, the City must prepare a performance report, CAPER, that provides information to HUD and the public about that year’s accomplishments and use of federal funding.
Citizen Participation Plan (CPP)

As required by HUD, the CPP is designed to describe actions that the City will take to encourage public participation in the development in its key federal reports: 5-Year Consolidated Plan, Annual Action Plan, and CAPER.
Citizen Participation Plan (CPP)

- Two public hearings before preparation of the draft will be held: one before the Austin City Council and one before Community Development Commission (CDC).

- NHCD staff gather community input and statistical data to prepare the Draft FY 2012-13 Action Plan.

- The draft report will be available for a 30-day public comment period beginning on June 1st – July 2nd.

- During the 30-day public comment period, two public hearings on the draft report will be held: one before the City Council and one before the CDC.

- The CDC has opportunity to make recommendations to the City Council prior to final action on July 10th.

- City Council takes action on the final FY 2012-13 Action Plan on August 2nd and report is due to HUD on or before August 15th.
6 Ways to Take Action

1. Lend a Word

2. Rank Your Priorities

3. Create a Conversation
   - Financial Education & Empowerment – March 30th
   - Healthy Homes and Home Repair Services – April 13th
   - Affordable housing across Austin – April 24th

4. “Championing”/hosting a Meeting

5. Voice your ideas at public hearings
   - CDC – March 27th
   - Austin City Council – April 5th

6. Give us your Comments NHCD@austintexas.gov
Thank you.
Neighborhood Housing and Community Development Office
Fiscal Year 2012-13 Action Plan
Notice of Public Hearings on Community Needs

In Fiscal Year 2012-2013, the City of Austin expects to receive continued federal funding through four U.S. Department of Housing and Urban Development (HUD) entitlement grants: Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). In order to receive these HUD grants, the City of Austin must submit an annual Action Plan to HUD that provides the community needs, resources, priorities, and proposed activities with regard to housing, community development, economic development, and public services. The City has begun development of its Fiscal Year 2012-13 Action Plan, which is due to HUD on or before August 15, 2012.

As required by the City’s Citizen Participation Plan and Texas Local Government Code, Chapter 373, the steps for public participation includes two public hearings: one public hearing before the Austin City Council and one public hearing before the Community Development Commission (CDC). There is also a 30-day public comment period on the draft Action Plan.

Public Hearings on Community Needs

The public is invited to attend the following public hearings:

- **6:30 PM Tuesday, March 27, 2012:** Before the Community Development Commission (CDC), Boards and Commissions Room, 301 W. Second Street
- **4:00 PM Thursday, April 5, 2012:** Before the Austin City Council at Austin City Hall, City Council Chambers, 301 W. Second Street

Written Comments

Written comments may be submitted until 5 PM on April 27, 2012. Please include a name, address, and phone number.

Mail to:
Neighborhood Housing and Community Development Office
Attn: Patricia Bourenane
PO Box 1088
Austin, Texas 78767
Email: NHCD@austintexas.gov

For more information concerning the Fiscal Year 2012-13 Action Plan process and public hearings, City of Austin staff may be reached at 974-3100 (voice) or 974-3102 (TDD) Monday through Friday, 8 AM to 5 PM.

The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. For assistance please call 974-2210 OR 974-2445 TDD.
La Ciudad de Austin espera recibir fondos federales durante el Año Fiscal 2012-13 a través de cuatro programas del Departamento de Vivienda y Desarrollo Urbano de los E. U. (HUD): Subvención Bloque Para el Desarrollo Comunitario (CDBG), Sociedades de Inversiones para el Hogar (HOME), Subsidio para Refugios de Emergencia (ESG), Oportunidades de Vivienda para Personas con SIDA (HOPWA). Para recibir estos subsidios de HUD, la Ciudad de Austin debe presentar una Plan de Acción anual ante HUD, que describa las necesidades, recursos, prioridades y actividades propuestas para la comunidad con respecto a la vivienda, desarrollo de la comunidad, desarrollo económico, y servicios públicos. La Ciudad ha comenzado a desarrollar su Plan de Acción para el Año Fiscal 2012-13, que debe presentarse ante HUD en ó antes de 15 de agosto, 2012.

Tal como lo requiere el Capítulo 373 del Decreto de Gobierno Local de Texas y el Plan de Participación de los Ciudadanos de la Ciudad, los pasos para la participación del público en el Plan de Acción anual son cuatro audiencias públicas: dos audiencias públicas ante el Concejo Deliberante y dos audiencias públicas ante la Comisión para el Desarrollo de la Comunidad (CDC). También hay un período de 30 días de comentarios por escrito sobre el Borrador del Plan de Acción.

Audiencias Públicas sobre Necesidades de la Comunidad

Se invita al público a que asista a las siguientes audiencias:

- **6:30 PM martes, 27 de marzo, 2012**: Ante la Comisión de Desarrollo Comunitario (CDC), Boards and Commissions Room, 301 W. Second Street
- **4:00 PM jueves, 5 de abril, 2012**: Ante el Concejo Municipal de Austin, City Hall, City Council Chambers, 301 W. Second Street

Comentarios por Escrito

El público puede someter comentarios por escrito a la siguiente dirección:

Envíe los comentarios por correo a:
Neighborhood Housing and Community Development Office
Attn: Patricia Boureane
PO Box 1088
Austin, Texas 78767
Email: NHCD@austintexas.gov

Para obtener más información del Plan de Acción y audiencias públicas, puede ponerse en contacto con personal de la Ciudad de Austin al 512-974-3100 (voz) o al 512-974-3102 (TDD) de Lunes a Viernes, de 8 AM a 5 PM.

La Ciudad de Austin está comprometida a cumplir con el Decreto sobre Americanos con Discapacidades. Se proveerán razonables modificaciones e igual acceso a comunicaciones cuando éstas sean solicitadas. Para obtener asistencia, llame 512-974-2210 o 512-974-2445 TDD.
The following represents a summary of the testimony during the public hearing summarized by NHCD staff. The following is not a complete transcript of public testimony.

<table>
<thead>
<tr>
<th>Name</th>
<th>Statement</th>
<th>Staff Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kathy Stark, Austin Tenants’ Council</td>
<td>Supports the need for more affordable housing dispersed throughout the city. Continue CDBG funding for housing related services.</td>
<td>The City of Austin is committed to affirmatively furthering fair housing choice and promoting the City’s affordable housing core values: long-term affordability, geographic dispersion, and deeper levels of affordability. NHCD will continue to prioritize resources to affordable housing projects that are geographically dispersed throughout Austin. For the FY 2012-13 Action Plan community needs phase, NHCD hosted a community conversation on April 24, 2012, to discuss national siting/geographic dispersion policies and gather feedback on strategies and approaches that the City of Austin could implement to enhance current practices and efforts in creating affordable housing in all parts of Austin.</td>
</tr>
<tr>
<td>Jennifer McPhail, ADAPT</td>
<td>Supports affordable housing and accessibility modifications through the Architectural Barrier Removal (ABR) program. ABR improves the quality of life and housing stock in Austin.</td>
<td>Affordable housing initiatives remain priority in FY 2012-13. Housing repairs remain high priority and will continue to be funded in FY 2012-13.</td>
</tr>
<tr>
<td>Spencer Duran, Austin CHDO Roundtable</td>
<td>The CHDO Roundtable conducted a needs assessment which determined 20,000 households need affordable housing and are currently on waiting list for housing. Requesting $110M be allocated to affordable housing initiatives.</td>
<td>The City of Austin is committed to funding developers/partners to create affordable housing. Housing Developer Assistance programs that encourage the development of affordable rental and homebuyer housing, including permanent supportive housing, remains a high priority in FY 2012-13.</td>
</tr>
<tr>
<td>Charles Cloutman, Meals on Wheels and More</td>
<td>The G.O. Repair! Program has set a nation-wide standard on how to efficiently run a home repair program: collaborative efforts, streamline processes, whole-house approach, green initiatives, and preserve affordable housing.</td>
<td>Housing repairs remain high priority and will continue to be funded in FY 2012-13. On April 13, 2012, NHCD is hosted a community conversation /meeting focusing on the City’s current home repair programs and gathering ideas on how NHCD can strengthen its home repair programs and services to create healthier homes for Austinites.</td>
</tr>
<tr>
<td>Stuart Hersh, Consultant</td>
<td>Concerns about the expiration of General Obligation Bond funds as they have supplanted federal and local funding to create affordable housing. Requests the City Council recommend funding during the FY 2012-13 Action Plan at a level that would make G.O. Bond funding a supplement.</td>
<td>As of March 1, 2012, approximately 2,242 homeownership and rental housing opportunities were created through the 2006 G.O. Bond funds. Neighborhood Housing and Community Development (NHCD) recognizes the concerns about the competing demand for critical services with limited funding. Austin continues to see population growth, as federal and local resources continue to decrease. NHCD remains focused to increase and diversify revenues by utilizing strategic approaches to seek new funding. In FY 2011-12 NHCD increased its revenue by $5.75M through the following grants: HUD’s 2011 Sustainable Communities Challenge Grant ($3M), Lead Hazard Control Grant (425M), and Individual Development Account ($250,000). NHCD will continue the strategic pursuit of grants to increase and diversify revenues.</td>
</tr>
<tr>
<td>Marilyn Hartman, National Alliance on Mental Illness</td>
<td>Advocates strongly for more permanent supportive housing (PSH) in FY 2012-13. The need for PSH units is estimated to be 1,889 units.</td>
<td>The City of Austin is committed supporting the development of 350 PSH units over the course of the next two years. NHCD, the Health and Human Services Department, ECHO and other key stakeholders have made great strides in accomplishing this task.</td>
</tr>
<tr>
<td>Name</td>
<td>Statement</td>
<td>Staff Response</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>----------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Stephanie Thomas, ADAPT</td>
<td>Concerns about funding restrictions related to affordable housing and</td>
<td>NHCD welcomes feedback on how the City can enhance program delivery. Affordable housing initiatives remain high priority in FY 2012-13.</td>
</tr>
<tr>
<td></td>
<td>supportive services.</td>
<td></td>
</tr>
<tr>
<td>Ann Howard, Ending Community Homeless Coalition (ECHO)</td>
<td>Supports more PSH units and collaborating together to end homelessness.</td>
<td>The City of Austin is committed to develop 350 PSH units over the course of the next two years. NHCD, the Health and Human Services Department, ECHO and other key stakeholders have made great strides in accomplishing this task.</td>
</tr>
</tbody>
</table>

*Back-up documentation is included as an attachment following the summary.*
The following represents a summary of the testimony during the public hearing summarized by NHCD staff. The following is not a complete transcript of public testimony.

<table>
<thead>
<tr>
<th>Name</th>
<th>Statement</th>
<th>Staff Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stuart Hersh, Consultant</td>
<td>Concerns about the expiration of General Obligation Bond funds.</td>
<td>Neighborhood Housing and Community Development (NHCD) recognizes the concerns about the competing demand for critical services with limited funding. Austin continues to see population growth, as federal and local resources continue to decrease. NHCD remains focused to increase and diversify revenues by utilizing strategic approaches to seek new funding. In FY 2011-12 NHCD increased its revenue by $5.75M through the following grants: HUD’s 2011 Sustainable Communities Challenge Grant ($3M), Lead Hazard Control Grant (42.5M), and Individual Development Account ($250,000). NHCD will continue the strategic pursuit of grants to increase and diversify revenues.</td>
</tr>
<tr>
<td>Shannon Moody, Jeremiah Program</td>
<td>The Jeremiah Program is a non-profit organization and supports low-income single-parent households. The agency will partner with Blackland Community Development Corporation to create 20 apartments.</td>
<td>The City of Austin is committed to funding developers/partners to create affordable housing. Housing Developer Assistance programs that encourage the development of affordable rental and homebuyer housing, including permanent supportive housing, remains a high priority in FY 2012-13.</td>
</tr>
<tr>
<td>Charles Cloutman, Meals and Wheels and More</td>
<td>Requests continued and increased funding for Meals and Wheels and More to address home repair efforts in Austin. Supports expanding the program boundaries for the Holly Good Neighbor Program, which would target a greater population and utilize more Austin Energy-Holly funds.</td>
<td>Housing repairs remain high priority and will continue to be funded in FY 2012-13. On April 13, 2012, NHCD is hosting a community conversation/meeting focusing on the City’s current home repair programs and gathering ideas on how NHCD can strengthen its home repair programs and services to create healthier homes for Austinites.</td>
</tr>
</tbody>
</table>

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<tr>
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</thead>
<tbody>
<tr>
<td>Elizabeth Walsh, Doctoral</td>
<td>Concerns about the expiration of General Obligation Bond funds.</td>
<td>Neighborhood Housing and Community Development (NHCD) recognizes the concerns about the competing demand for critical services with limited funding. Austin continues to see population growth, as federal and local resources continue to decrease. NHCD remains focused to increase and diversify revenues by utilizing strategic approaches to seek new funding. In FY 2011-12 NHCD increased its revenue by $5.75M through the following grants: HUD’s 2011 Sustainable Communities Challenge Grant ($3M), Lead Hazard Control Grant (42.5M), and Individual Development Account ($250,000). NHCD will continue the strategic pursuit of grants to increase and diversify revenues.</td>
</tr>
<tr>
<td>Candidate, Community</td>
<td></td>
<td></td>
</tr>
<tr>
<td>and Regional Planning Program</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marilyn Hartman</td>
<td>Advocates strongly for more permanent supportive housing (PSH) - more adequate care for populations experiencing homelessness and mental illness.</td>
<td>The City of Austin is committed to develop 350 PSH units over the course of the next two years. NHCD, the Health and Human Services Department, ECHO and other key stakeholders have made great strides in accomplishing this task. As of April 1, 2012, 228 PSH units are in the pipeline. The City will continue to fund programs under the Homeless/Special Needs Assistance category which offers housing options and supportive services to the City’s most vulnerable populations.</td>
</tr>
</tbody>
</table>

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</tr>
</tbody>
</table>

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April 5, 2012

ADAPT of Texas Comments on the 2012-13 Annual Plan

Affordability

The waiting list for Section 8 Housing is about 6 years long; Public Housing is about a year. Housing costs are through the roof, especially the new housing which would be more likely to be accessible. The City's current "affordable" housing development targets people with incomes at 80% of Median Family Income, MFI, (about $39,850 for a single person). Most of our members and many in the disability community are below 15% MFI (SSI payments are about $698 per month; $8,376 a year.) Social Security Disability is a little higher. Attendants who provide home health services to people with disabilities make about $13,836 a year. ADAPT of Texas asks the City Council to allocate $110 million of bonds for Affordable, Accessible, integrated housing.

It is our understanding Austin will lose $61,624,934 in affordable housing funds over the next 7 years. This is due in part to cuts in federal and state funds, the major sources of housing funding. Unless the City of Austin takes a stand and invest local funds for housing that is affordable, accessible and integrated in the community many low income people will be forced to move to surrounding communities. Surrounding communities may not have public transportation and other vital services and supports like home health care.

Barrier Removal

There is a tremendous need for assistance to people with disabilities who need access in their own homes. Inaccessible housing is substandard for people who need access. If you are a prisoner in your own home because you cannot get in or out independently due to lack of a ramp, railing, accessible fire alarm or other access accommodations, your housing is substandard. This program must be consumer driven.

Enforcement

The federal Fair Housing Amendments Act, Section 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act all address requirements to make housing and related services accessible for people with disabilities. These laws are often times not followed; if there is no enforcement, compliance is unlikely to occur. Enforcement of these laws should be a priority. Existing and future housing projects should be surveyed to ensure compliance. The Austin Tenants Council runs the Tenant’s Rights Assistance Program that helps with enforcement of access laws. Approximately 60% of tenants’ rights complaints are disability related. ADAPT strongly supports funding of the Tenants’ Rights Assistance Program.
My name is Stuart Hersh, and like most in Austin I rent. I worked for the City of Austin for over 30 years, and have been a paid or unpaid consultant with many not-for-profit organizations for the past 3 years.

I am speaking tonight about the Needs Assessment for the Action Plan. I am speaking for myself and am not speaking for any of the organizations that I provide support on either a pro-bono or fee basis.

I work with organizations that provide affordable rental housing for some people who can afford rents in the $135 - $350 range. Those organizations who otherwise could serve these extremely low income renters will be unable to do so because of a city decision to decrease its commitment to housing affordability.

With this in mind, I first provide you a chart showing the completed bond fund rental and homeownership housing, not listing what was promised in applications, but what has actually happened from 2006 until the end of February 29, 2012.

You can see that 53.7% of the completed housing went those between 0-30% Median Family Income, and 45.5% went to those from 31%-50% MFI. Very few households from 50-80% MFI were served. The bonds went to individuals and families who in HUD language were very low income and extremely low income. These families and individuals are the poorest among us, and you should be proud the voter-approved housing bonds made a difference for our brothers and sisters.

The second chart shows decreased funding from federal and City sources since 2006 is now available. If my math is right, City potential annual investment in housing affordability other than GO Bonds went from $17,921,954 in 2006 to $9,118,392 next year. This represents an annual disinvestment of $8,803,562. If this disinvestment were to continue over the next 7 years, it would represent a total disinvestment of $61,624,934 over the next 7 years.

The GO Bonds were marketed in 2006 as a supplement to existing investment in housing affordability, not a tool to supplant federal and local investment. But supplant is what they have become. Please recommend funding in this year’s Action Plan at a level that makes General Obligation Bonds a supplement as originally contemplated.

Stuart Hersh, 1307 Kinney Av #117 78704
shersh@austin.rr.com (512) 587-5093 (cell)
### INCOME LEVELS FOR OCCUPIED G. O. BOND UNITS
**AS OF 2/29/2012**

<table>
<thead>
<tr>
<th>0-30% MFI</th>
<th>31-50% MFI</th>
<th>51-60% MFI</th>
<th>61-80% MFI</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rental</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>544</td>
<td>455</td>
<td>n/a</td>
<td>n/a</td>
<td>999</td>
</tr>
<tr>
<td><strong>Owner</strong></td>
<td></td>
<td></td>
<td></td>
<td>28</td>
</tr>
<tr>
<td>8</td>
<td>12</td>
<td>6</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td>1027</td>
</tr>
<tr>
<td>552</td>
<td>467</td>
<td>6</td>
<td>2</td>
<td></td>
</tr>
</tbody>
</table>

Percentage of all units occupied to date by income level:

<table>
<thead>
<tr>
<th>0-30% MFI</th>
<th>31-50% MFI</th>
<th>51-60% MFI</th>
<th>61-80% MFI</th>
</tr>
</thead>
<tbody>
<tr>
<td>53.7%</td>
<td>45.5%</td>
<td>0.6%</td>
<td>0.2%</td>
</tr>
</tbody>
</table>

---

### 901% HOME Program Income Limits by Household Size
**Effective Date: February 9, 2012**

**FY 2012 Area Median Family Income**

- Travis County, Texas
- $55,000 (1 person household)

**MHA: Austin – Round Rock, TX.**

<table>
<thead>
<tr>
<th>Household Size</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% Median Income (with 1 person income defined by SAE)</td>
<td>17,970</td>
<td>18,525</td>
<td>20,000</td>
<td>22,770</td>
<td>24,600</td>
<td>26,460</td>
<td>28,370</td>
<td>30,070</td>
</tr>
<tr>
<td>40% Median Income (with 1 person income defined by SAE)</td>
<td>26,600</td>
<td>30,410</td>
<td>34,710</td>
<td>37,940</td>
<td>41,080</td>
<td>44,600</td>
<td>48,100</td>
<td>51,600</td>
</tr>
<tr>
<td>60% Median Income</td>
<td>41,920</td>
<td>46,450</td>
<td>41,090</td>
<td>45,340</td>
<td>49,200</td>
<td>52,660</td>
<td>56,330</td>
<td>60,130</td>
</tr>
<tr>
<td>80% Median Income (with income defined by SAE)</td>
<td>42,700</td>
<td>43,600</td>
<td>54,670</td>
<td>60,700</td>
<td>67,600</td>
<td>70,600</td>
<td>74,400</td>
<td>78,100</td>
</tr>
</tbody>
</table>
## CDBG Funding

<table>
<thead>
<tr>
<th>FY 2006-07</th>
<th>FY 2011-12</th>
<th>Anticipated funding FY 2012-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>$8,232,823*</td>
<td>$7,053,946*</td>
<td>$6,692,838*</td>
</tr>
</tbody>
</table>

* Includes CDBG Program Income and Revolving Loan

## HOME Funding

<table>
<thead>
<tr>
<th>FY 2006-07</th>
<th>FY 2011-12</th>
<th>Anticipated funding FY 2012-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5,621,001**</td>
<td>$4,339,361**</td>
<td>$2,425,554**</td>
</tr>
</tbody>
</table>

** Includes HOME Program Income

## Housing Trust Fund

<table>
<thead>
<tr>
<th>FY 2006-07</th>
<th>FY 2011-12</th>
<th>Anticipated funding FY 2012-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,111,437</td>
<td>$365,031</td>
<td>$0</td>
</tr>
</tbody>
</table>

## Capital Budget - NHCD

<table>
<thead>
<tr>
<th>FY 2006-07</th>
<th>FY 2011-12</th>
<th>Anticipated funding FY 2012-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,407,980</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

## Capital Budget - S.M.A.R.T.
### Housing - WPDR and Buck Group

<table>
<thead>
<tr>
<th>FY 2006-07</th>
<th>FY 2011-12</th>
<th>Anticipated funding FY 2012-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>$548,713</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>
The Austin CHDO Roundtable is a membership organization composed of local nonprofit housing developers and their stakeholders. Nonprofit housing developers use bond funds, other public dollars and private financing to create the bulk of truly affordable housing in Austin. This includes rental, home repair, and homeownership.
We are proposing a three-pronged approach:

**Identify the Goals**
- Design a portfolio of all the housing types Austin wants to develop between now and 2021.
- Set long-term (ten year) targets, with shorter term objectives.
- Correlate the goals to the needs, using a consistent methodology across the spectrum, for example: 40% of current needs over next ten years.
- On a quarterly basis, produce clear and concise reports on housing needs and numbers of housing units, using MFI levels as a consistent methodology for data collection and analysis.
- Annually review gaps between goals and needs against the ten-year targets.
- Based on review, annually adjust scoring of applications to prioritize funding in areas where needs remain and development capacity exists.
- Per the CHDO Roundtable’s 2009 recommendation, build in a transparent, predictable and consistent system for evaluating whether funds should be transferred from one “bucket” to another and for doing so if needed.
- Recognize the wide variety of people and households who need permanent supportive housing.

**Create the Means**
- Aggressively promote additional GO bond funding for affordable housing.
- Implement a viable land-banking strategy.
- Innovate and replicate best practices across the continuum, including community land trust.
- Creatively develop new funding sources both for supportive services and for housing.
- Expand S.M.A.R.T. housing resources.

**Make Plans Driven By The Goals**
- Align Action Plan and Consolidated Plan with Housing Authority of City of Austin and Travis County Housing Authority master plans to create the 2021 Portfolio.
- Integrate these goals with the Comprehensive Plan.
- Integrate these goals with the GO affordable housing bond election.

**As a community, Austin should embrace planning policies and principles that encourage “all types of homes in all parts of town.” Our resources should be guided by our core values of geographic dispersion, long term affordability, and deeper affordability.**

**As detailed in this report, the CHDO Roundtable recommends a collaborative, flexible, and predictable approach for meeting Austin’s growing housing needs along the entire Housing Continuum.**

**NOTES**
1. Comprehensive Housing Market Study, 2009
4. ATGCH/MHS 2011 Annual Homeless Assessment Report
5. Comprehensive Housing Market Study, 2009
6. 2010 Corporation for Supportive Housing Permanent Supportive Housing Program and Financial Market for Austin/Travis County, Texas
7. ATGCH/MHS 2011 Annual Homeless Assessment Report
10. The 2009 Comprehensive Housing Market Study recommended that the City of Austin set affordable housing five, ten and twelve-year targets through 2020 (Section IX, p. 5).
11. The 2009 Comprehensive Housing Market Study recommended that the City of Austin “explore partnerships with school districts, utility companies, and other public landowners” to establish a land-banking program (Section VIII, p.8).

**Meeting Austin’s Affordable Housing Needs Across the Spectrum**

Austin is facing unprecedented challenges in addressing the housing needs of its lower income citizens. Funding for housing and supportive services has experienced steady reduction in past years and is now poised to suffer the most severe cuts in decades.

For this reason, the city’s current NHCD Action Plan and the proposed upcoming General Obligation Bond election provide critical opportunities to thoughtfully prepare for badly needed funding and to design a meaningful, goal-driven allocation process that can be sustained over the next ten years.

As members of the Austin CHDO Roundtable, we are intimately familiar with the barriers our clients face in obtaining safe, decent and affordable housing; whether that be a chronically homeless woman living on the streets or a single father struggling to feed and house his children on minimum wage. Our organizations work to house people with disabilities, the homeless, youth aging out of foster care, extremely low-income families, the elderly, people in dilapidated homes, and low-income, first-time homebuyers. We have come together to collectively assess our own housing production capacity; to present consolidated data on needs, and to propose coordinated strategies for meeting the affordable housing needs of people across the entire affordable housing spectrum.

**RECOMMENDATIONS**

The purpose of this paper is to present and recommend a balanced approach to address the housing needs of Austinites with low incomes—a population that represents half of the city’s population.

Our five central recommendations are:

1. Recognize the housing needs of all lower-income Austinites and re-affirm a commitment to addressing them.
2. Revise the Annual and Consolidated Plan process to use current, consistent data and analysis across the housing continuum, filling in existing gaps.
3. Set specific goals across the entire spectrum of affordable housing needs for numbers of units over one, five and ten-year periods, while maintaining flexibility and a predictable process to revise priorities on an annual basis.
4. Creatively seek new sources of revenue for affordable housing and supportive services.
5. Increase the priority of funding CHDOs and nonprofits in order to achieve the core values of deeper affordability, longer-term affordability and geographic dispersion.
What does this tell us?

In the summer of 2010, the Austin CHDO Roundtable membership polled its membership on each CHDO’s opportunities to develop housing and aggregated the data for these opportunities (this includes some projects that were just allocated funding in December). We found that, given the resources, our membership was positioned at the time to develop 1249 units, comprised of 999 units of new rental and ownership housing and 250 home repairs.

A quick glance at the headlines reveals that the gaps between available housing and those who need it are on the brink of widening; the rental market is tightening, foreclosures are up, and major layoffs are about to take place at the state, in local school districts, and at non-profits, potentially sending more households into economic distress.

A number of reports focusing on Austin and Travis County have identified needs spanning across income levels and types of affordable housing. These numbers represent people ranging from the severely disabled to the working poor who are struggling to keep their homes, pay their utilities, and keep their family members fed.

As a reference, the CHDO Roundtable members found that, given the resources, they would be positioned to develop the array of housing units shown in the chart at right. The membership of the Austin CHDO Roundtable view these as a call to action for community leaders to seek solutions for people across the entire spectrum of housing needs.

### By Income Level

<table>
<thead>
<tr>
<th>By Income Level</th>
<th>no. units</th>
<th>% units (rounded)</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% MFI and under</td>
<td>368</td>
<td>30%</td>
</tr>
<tr>
<td>30-50% MFI</td>
<td>541</td>
<td>43%</td>
</tr>
<tr>
<td>50-60% MFI</td>
<td>214</td>
<td>17%</td>
</tr>
<tr>
<td>60-80%</td>
<td>126</td>
<td>10%</td>
</tr>
<tr>
<td>Total</td>
<td>1249</td>
<td>100%</td>
</tr>
</tbody>
</table>

### By Geographic Distribution

<table>
<thead>
<tr>
<th>By Geographic Distribution</th>
<th>no. units</th>
<th>% units (rounded)</th>
</tr>
</thead>
<tbody>
<tr>
<td>East of IH-35</td>
<td>904</td>
<td>72%</td>
</tr>
<tr>
<td>West of IH-35</td>
<td>345</td>
<td>28%</td>
</tr>
<tr>
<td>Total</td>
<td>1249</td>
<td>100%</td>
</tr>
</tbody>
</table>

### By Affordability Period

<table>
<thead>
<tr>
<th>By Affordability Period</th>
<th>no. units</th>
<th>% units (rounded)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-40 years</td>
<td>255</td>
<td>20%</td>
</tr>
<tr>
<td>41-99 years</td>
<td>744</td>
<td>60%</td>
</tr>
<tr>
<td>Unspecified (housing repair program)</td>
<td>250</td>
<td>20%</td>
</tr>
<tr>
<td>Total</td>
<td>1249</td>
<td>100%</td>
</tr>
</tbody>
</table>

### Austin’s Affordable Housing Needs ... All of Them

<table>
<thead>
<tr>
<th>Type of housing</th>
<th>Estimated gap (housing units)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency shelter</td>
<td>1004 beds 1</td>
</tr>
<tr>
<td>Affordable rental housing for below 60% MFI (includes supportive and transitional housing)</td>
<td>39,000 households 1, of which 1,891 units of permanent supportive housing for currently homeless individuals and families with one or more chronic and disabling conditions 2, Data is needed for permanent supportive housing for households not currently counted as homeless (e.g., adults with brain injuries, elderly, etc.)</td>
</tr>
<tr>
<td>Affordable rental housing for between 60% and 80% MFI</td>
<td>4,488 units of deeply affordable housing with transitional support services OR transitional housing for single adults and families with children. 2</td>
</tr>
<tr>
<td>Homeownership</td>
<td>13,600 homes affordable for buyers earning between $35,000 and $75,000 per year 3</td>
</tr>
<tr>
<td>Home repair</td>
<td>13,286 homes 1</td>
</tr>
</tbody>
</table>

### By Types of Units

<table>
<thead>
<tr>
<th>By Types of Units</th>
<th>no. units</th>
<th>% units (rounded)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supportive housing for people needing services in order to stay housed (e.g. chronically homeless &amp; people with severe disabilities)</td>
<td>203</td>
<td>16%</td>
</tr>
<tr>
<td>Transitional housing</td>
<td>2</td>
<td>0.2%</td>
</tr>
<tr>
<td>Affordable rental • for households at or below 60% MFI</td>
<td>506</td>
<td>41%</td>
</tr>
<tr>
<td>• for households 60-80% MFI</td>
<td>15</td>
<td>1%</td>
</tr>
<tr>
<td>Homeownership for households between 30% and 80% MFI</td>
<td>273</td>
<td>22%</td>
</tr>
<tr>
<td>Home repair for households at or below 50% MFI</td>
<td>250</td>
<td>20%</td>
</tr>
<tr>
<td>Total</td>
<td>1249</td>
<td>100%</td>
</tr>
</tbody>
</table>
Rental Demand Snapshot

<table>
<thead>
<tr>
<th>AHA!</th>
<th>ATCIC</th>
<th>BCDC</th>
<th>CNRC Rental</th>
<th>Easter Seals</th>
<th>Foundation Communities</th>
<th>GNDC</th>
<th>HACA HCV</th>
<th>HACA PH</th>
<th>HATC</th>
</tr>
</thead>
<tbody>
<tr>
<td>75</td>
<td>80</td>
<td>3,292</td>
<td>19</td>
<td>136</td>
<td>255</td>
<td>575</td>
<td>4,083</td>
<td>10,020</td>
<td>1,600</td>
</tr>
</tbody>
</table>

Total households on waiting lists or documented demonstrated interest among surveyed providers: 20,135

Based on responses to an Austin CHDO Roundtable membership poll conducted on 3/24/12 and data from local Public Housing Authorities. Many organizations have closed their waiting lists, some since 2005.

Organizations Listed: Accessible Housing Austin!, Austin Travis County Integral Care, Chestnut Redevelopment Corporation's Franklin Gardens, Easter Seals Central Texas rental programs, Foundation Communities, Guadalupe Neighborhood Development Corporation rental programs, Housing Authority of the City of Austin (HACA) Housing Choice Voucher program, HACA Public Housing program, Housing Authority of the City of Austin rental programs.
# Cost Burdened Households in Travis County

<table>
<thead>
<tr>
<th>County</th>
<th>Cost burdened Households</th>
<th>Total Households</th>
<th>Percent Burdened</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazos</td>
<td>26,164</td>
<td>66,105</td>
<td>40%</td>
</tr>
<tr>
<td>Webb</td>
<td>25,935</td>
<td>64,714</td>
<td>40%</td>
</tr>
<tr>
<td>Dallas</td>
<td>322,095</td>
<td>832,360</td>
<td>39%</td>
</tr>
<tr>
<td>Travis</td>
<td>148,136</td>
<td>390,862</td>
<td>38%</td>
</tr>
</tbody>
</table>

From University of Wisconsin Population Health Institute County Health Rankings 2012
## Meeting Current Demand

### Current Affordable Housing Demand

<table>
<thead>
<tr>
<th>Type of Housing</th>
<th>Units Currently Needed</th>
<th>Cost to Construct</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental for households earning less than $20,000/yr</td>
<td>39,000</td>
<td>$1,950,000,000</td>
</tr>
<tr>
<td></td>
<td>Includes PSH, Elderly, People with Disabilities</td>
<td></td>
</tr>
<tr>
<td>Rental for households between 30% and 80% MFI who are currently cost-burdened</td>
<td>57,242</td>
<td>$2,862,000,000</td>
</tr>
<tr>
<td>Homeownership</td>
<td>13,600</td>
<td>$680,000,000</td>
</tr>
<tr>
<td>Home Repair</td>
<td>13,000</td>
<td>$130,000,000</td>
</tr>
<tr>
<td><strong>Total Need</strong></td>
<td><strong>122,842</strong></td>
<td><strong>$5,622,000,000</strong></td>
</tr>
</tbody>
</table>

Based on historical spending amounts. Assumes $50,000 in construction costs (not operating or support services) both for rental and homeownership (particularly to reach lower-income first-time homebuyers) units and $10,000 average cost per house for home repair.
Assuming 2012-13 anticipated funding levels, the annual reduction is $8,803,562. Over next 7 years, this would amount to $61,624,934 in reduced funds.
G.O. Bond Funding Recommendation

• $110M in 2012 General Obligation Bond proceeds to support Housing Affordability to be used for rental housing – including PSH, homeownership, and home repair.

• Supported by Austin Repair Coalition, CHDO Roundtable, Community Development Commission, ECHO, Affordable Housing Committee of the BEATF.
Leverage

- For the 2006 bond election, developers brought in $3.62 in outside investment for every $1 in G.O. Bond spending.
- If $110M is authorized for 2012, developers could bring an additional $354M in outside investment into Austin.
- Over 2,242 new homes were created from 2006-2012 using G.O. Bond housing funds.
• Guiding Principals Score: 21/50
• Housing Affordability #1 for NHCD in Needs Assessment
• $0 Annualized Operation and Maintenance Impact
Appendix I-B: Draft Comment Period
In accordance with the City of Austin’s Citizen Participation Plan and the Texas Local Government Code, Chapter 373, the City’s Neighborhood Housing and Community Development Office announces public hearings and a 30-day public comment period to receive public input on the Draft FY 2012-13 Action Plan.

The Neighborhood Housing and Community Development Office has prepared a Draft FY 2012-13 Action Plan, which describes community needs, resources, and priorities for the City’s housing, community development and economic development activities. These activities are funded primarily through four grant programs received from the U.S. Department of Housing and Urban Development (HUD): Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA).

In developing the Draft FY 2012-13 Action Plan, community feedback was instrumental in setting priorities for funds. Public input received at the following engagements were considered while outlining the draft report: the Community Development Commission (CDC) meeting on March 27, 2012, Austin City Council meeting on April 5, 2012, and a series of community conversations focusing on key topics: financial education and empowerment; healthy homes and home repair; and creating and retaining affordable housing across Austin.

Public Hearings on Draft FY 2012-13 Action Plan

The public is invited to provide input at the following public hearings:

- **6:30 PM Tuesday, June 12, 2012:** Before the Community Development Commission (CDC), Boards and Commissions Room, 301 W. Second Street
- **4:00 PM Thursday, June 14, 2012:** Before the Austin City Council at City Hall, City Council Chambers, 301 W. Second Street

View the Report

The public is invited to review the Draft FY 2012-13 Action Plan from June 1, 2012, through July 2, 2012, on the City’s web site at www.austintexas.gov/housing or at the following community locations:

- Austin Central Public Library, 800 Guadalupe (Central)
- Austin Resource Center for the Homeless, 500 East 7th Street (Central)
- East Austin Neighborhood Center, 211 Comal (East)
- Neighborhood Housing and Community Development Department, 1000 East 11th Street, Suite 200 (East)
- Rosewood-Zaragosa Neighborhood Center, 2800 Webberville Road (East)
- St. John’s Neighborhood Center, 7500 Blessing (North East)
- AIDS Services of Austin, 7215 Cameron Road (North)
- Housing Authority of the City of Austin, 1124 S IH 35 (South)
- South Austin Neighborhood Center, 2508 Durwood (South)
- Pleasant Hill Library Branch, 211 East William Cannon (South)

**Written Comments**
Written comments may be submitted until 5 PM on July 2, 2012. Please include a name, address, and phone number.

Mail to:
Neighborhood Housing and Community Development Office
Attn: Patricia Bourenane
PO Box 1088
Austin, Texas 78767
Email: NHCD@austintexas.gov

For more information concerning the Fiscal Year 2012-13 Action Plan process and public hearings, and 30-day comment period, City of Austin staff may be reached at 974-3100 (voice) or 974-3102 (TDD) Monday through Friday, 8 AM to 5 PM.

The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request.
For assistance please call 974-2210 OR 974-2445 TDD.
Departamento de Vivienda y Desarrollo Comunitario
Plan de Acción para el Año Fiscal 2012-13
Aviso de Audiencia Pública y del Período de 30 Días de Comentario Público

Tal como lo requiere el Capítulo 373 del Decreto de Gobierno Local de Texas y el Plan de Participación de los Ciudadanos de la Ciudad, La Oficina de Desarrollo de la Vivienda en Vecindarios y de la Comunidad de la Ciudad de Austin anuncia audiencias públicas y un período de 30 Días de Comentario público para recibir comentarios de los ciudadanos a fin de desarrollar el Borrador del Plan de Acción.

La Ciudad de Austin ha preparado un Plan de Acción para el Año Fiscal 2012-13 que describe las necesidades, recursos y prioridades de la comunidad, y prioridades para las actividades de desarrollo de la vivienda y de la comunidad de la Ciudad que están financiadas principalmente mediante subsidios de HUD. Los fondos de HUD se proveen mediante cuatro programas de subsidios: Subvención Bloque Para el Desarrollo Comunitario (CDBG), Sociedades de Inversiones para el Hogar (HOME), Subsidio para Refugios de Emergencia (ESG), y Oportunidades de Vivienda para Personas con SIDA (HOPWA).

Audiencias Públicas
Se invita al público a las siguientes audiencias públicas:

- **6:30 PM martes, 12 de junio, 2012**: Ante la Comisión de Desarrollo Comunitario (CDC), en el Boards and Commissions Room, 301 W. Second Street
- **4:00 PM jueves, 14 de junio, 2012**: Ante el Concejo de la Ciudad de Austin, Austin City Hall, City Council Chambers, 301 W. Second Street

Para Ver el Reporte
Se invita al público a que reconsidere el Plan de Acción para el Año Fiscal 2012-13, desde 1 de junio, 2012 hasta 2 de julio, 2012, en el sitio Web de la Ciudad, www.austintexas.gov/housing o en los siguientes lugares:

- Austin Central Public Library, 800 Guadalupe (Central)
- Austin Resource Center for the Homeless, 500 East 7th Street (Central)
- East Austin Neighborhood Center, 211 Comal (Este)
- Neighborhood Housing and Community Development Department, 1000 East 11th Street, Suite 200 (Este)
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- St. John’s Neighborhood Center, 7500 Blessing (Noreste)
- AIDS Services of Austin, 7215 Cameron Road (Norte)
- Housing Authority of the City of Austin, 1124 S IH 35 (Sur)
- South Austin Neighborhood Center, 2508 Durwood (Sur)
- Pleasant Hill Library Branch, 211 East William Cannon (Sur)
Comentarios por Escrito

Comentarios por escrito pueden ser presentados hasta las 5 PM en 2 de julio, 2012. Por favor incluya nombre, domicilio y número de teléfono.

Envíe a:
Neighborhood Housing and Community Development Office
Attn: Patricia Bourenane
PO Box 1088
Austin, Texas 78767
Email: NHCD@

Para más información del Plan de Acción, audiencias públicas, y 30 días de comentario público contacte al personal de la Ciudad de Austin al 512-974-3100 (voz) o al 512-974-3102 (TDD) de Lunes a Viernes, de 8 AM a 5 PM.

La Ciudad de Austin está comprometida a cumplir con el Decreto sobre Americanos con Discapacidades. Se proveerán razonables modificaciones e igual acceso a comunicaciones cuando éstas sean solicitadas. Para obtener asistencia, llame 512-974-2210 O 512-974-2445 TDD.
The following represents a summary of the testimony during the public hearing summarized by NHCD staff. The following is not a complete transcript of public testimony.

<table>
<thead>
<tr>
<th>Name</th>
<th>Statement</th>
<th>Staff Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spencer Duran, Austin</td>
<td>Supports affordable housing and opportunity throughout Austin. The CHDO Roundtable proposes a framework an opportunity-rich siting policy for affordable housing, incentivize housing outcomes and encourage collaborative efforts between the City of Austin - departments, Travis County, and local agencies to ensure geographic dispersion in Austin.</td>
<td>The City of Austin is committed to affirmatively furthering fair housing choice and promoting the City’s affordable housing core values: long-term affordability, geographic dispersion, and deeper levels of affordability. NHCD will continue to prioritize resources to affordable housing projects that are geographically dispersed throughout Austin. For the FY 2012-13 Action Plan process the Community Development Commission (CDC) developed an Affordable Housing Siting Policy Working Group to explore a number of policy options for geographic dispersion. Although the working group has not made an official recommendation to the CDC, the group is expected to make a recommendation to the CDC in summer 2012. Following the working group’s recommendation, the CDC will have the opportunity to make a recommendation to the Austin City Council.</td>
</tr>
<tr>
<td>Stuart Hersh, Austin</td>
<td>Supports adopting the CHDO Roundtable framework promoting an opportunity-rich siting policy for affordable housing. The most poor populations should have the opportunity to live in all parts of Austin. The Draft FY 2012-13 Action Plan displays a federal disinvestment in housing. Supports actions that would allocate more funding to address affordable housing and home repair.</td>
<td>NHCD has elevated the “Demand for Services &amp; Limited Funding,” as a horizon issue in its FY 2013 Business Plan. NHCD remains focused to increase and diversity revenues by utilizing strategic approaches to increase new funding in FY 2012-13. The Draft FY 2012-13 Action Plan only includes new federal entitlement grant funds. Traditionally, the City’s annual Action Plans have reflected local funding. The FY 2012-13 City budget is expected to be approved by the Austin City Council in September 2012. Once the City budget is approved, NHCD will notify HUD of any additional funding allocated by the City that will leverage the federal investment outlined in the FY 2012-13 Action Plan. NHCD anticipates publishing a comprehensive funding table that includes federal and local funds in fall 2012.</td>
</tr>
<tr>
<td>Tracy Witte, Affordable</td>
<td>Identify high-opportunity areas and institute affordable housing as a priority in those areas. The affordable housing siting policy should define specific goals and caps in attaining greater geographic dispersion.</td>
<td>The City of Austin is committed to affirmatively furthering fair housing choice and promoting the City’s affordable housing core values: long-term affordability, geographic dispersion, and deeper levels of affordability. NHCD will continue to prioritize resources to affordable housing projects that are geographically dispersed throughout Austin. For the FY 2012-13 Action Plan process the Community Development Commission (CDC) developed an Affordable Housing Siting Policy Working Group to explore a number of policy options for geographic dispersion. Although the working group has not made an official recommendation to the CDC, the group is expected to make a recommendation to the CDC in summer 2012. Following the working group’s recommendation, the CDC will have the opportunity to make a recommendation to the Austin City Council.</td>
</tr>
<tr>
<td>Association</td>
<td>Identify high-opportunity areas that can create opportunities for all Austin residents. There should be developer incentives and scoring criteria that embraces geographic dispersion. It is challenging for developers to break the barriers in developing affordable housing in all areas.</td>
<td></td>
</tr>
<tr>
<td>Stan Strickland, Robertson</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td>Statement</td>
<td>Staff Response</td>
</tr>
<tr>
<td>------</td>
<td>-----------</td>
<td>----------------</td>
</tr>
<tr>
<td>Charles Cloutman, Meals on Wheels and More</td>
<td>Requests that City Council allocate General Funds to increase funding for NHCD.</td>
<td>NHCD allocated $400,000 in Community Development Block Grant (CDBG) funding to fill the gap in General Obligation (G.O.) Bond funding in FY 2012-13.</td>
</tr>
<tr>
<td>Isabelle Headrick, Blackland Community Development Corporation</td>
<td>Supports the CHDO Roundtable’s proposed framework for an opportunity-rich siting policy for affordable housing. As the City develops the policy, opposes strict siting policy restrictions that could potentially diminish affordable housing development in certain parts of Austin.</td>
<td>The City of Austin is committed to affirmatively furthering fair housing choice and promoting the City’s affordable housing core values: long-term affordability, geographic dispersion, and deeper levels of affordability. NHCD will continue to prioritize resources to affordable housing projects that are geographically dispersed throughout Austin. For the FY 2012-13 Action Plan process the Community Development Commission (CDC) developed an Affordable Housing Siting Policy Working Group to explore a number of policy options for geographic dispersion. Although the working group has not made an official recommendation to the CDC, the group is expected to make a recommendation to the CDC in summer 2012. Following the working group’s recommendation, the CDC will have the opportunity to make a recommendation to the Austin City Council.</td>
</tr>
<tr>
<td>Mark Rogers, Guadalupe Neighborhood Development Corporation</td>
<td>The Draft FY 2012-13 Action Plan includes decreased federal funding. Supports $110 M in General Obligation Bond funding.</td>
<td>NHCD has taken a number of actions to fund existing programs, initiatives and personnel in FY 2012-13. In addition, NHCD will utilize the following funds and programs to mitigate decreased funding and maintain production levels in FY 2012-13: Texas Department of Housing and Community Affairs’ Reservation System (Amy Young for Architectural Barrier Removal and HOME Persons with Disabilities), administration of the Private Lateral Program through an interdepartmental agreement with Austin Water Utility, and the implementation of cost efficiencies for business practices and customer service delivery systems.</td>
</tr>
<tr>
<td>Mitch Weynand, LifeWorks</td>
<td>Supports dispersing affordable housing throughout Austin through the development of an affordable housing siting policy.</td>
<td>The City of Austin is committed to affirmatively furthering fair housing choice and promoting the City’s affordable housing core values: long-term affordability, geographic dispersion, and deeper levels of affordability. NHCD will continue to prioritize resources to affordable housing projects that are geographically dispersed throughout Austin. For the FY 2012-13 Action Plan process the Community Development Commission (CDC) developed an Affordable Housing Siting Policy Working Group to explore a number of policy options for geographic dispersion. Although the working group has not made an official recommendation to the CDC, the group is expected to make a recommendation to the CDC in summer 2012. Following the working group’s recommendation, the CDC will have the opportunity to make a recommendation to the Austin City Council.</td>
</tr>
<tr>
<td>David Claus, AmericanYouthWorks</td>
<td>As the demand for affordable housing increases, funds decrease. Supports more funding for affordable housing.</td>
<td>NHCD has taken a number of actions to fund existing programs, initiatives and personnel in FY 2012-13. In addition, NHCD will utilize the following funds and programs to mitigate decreased funding and maintain production levels in FY 2012-13: Texas Department of Housing and Community Affairs’ Reservation System (Amy Young for Architectural Barrier Removal and HOME Persons with Disabilities), administration of the Private Lateral Program through an interdepartmental agreement with Austin Water Utility, and the implementation of cost efficiencies for business practices and customer service delivery systems.</td>
</tr>
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*Back-up documentation is included as an attachment following the summary.*
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<th>Name</th>
<th>Statement</th>
<th>Staff Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stuart Hersh, Austin Resident</td>
<td>Supports adopting the CHDO Roundtable framework promoting an opportunity-rich siting policy for affordable housing. The most poor populations should have the opportunity to live in all parts of Austin. The Draft FY 2012-13 Action Plan displays a federal disinvestment in housing. Supports actions that would allocate more funding to address affordable housing and home repair.</td>
<td>The City of Austin is committed to affirmatively furthering fair housing choice and promoting the City’s affordable housing core values: long-term affordability, geographic dispersion, and deeper levels of affordability. NHCD will continue to prioritize resources to affordable housing projects that are geographically dispersed throughout Austin. For the FY 2012-13 Action Plan process the Community Development Commission (CDC) developed an Affordable Housing Siting Policy Working Group to explore a number of policy options for geographic dispersion. Although the working group has not made an official recommendation to the CDC, the group is expected to make a recommendation to the CDC in summer 2012. Following the working group’s recommendation, the CDC will have the opportunity to make a recommendation to the Austin City Council. NHCD has elevated the “Demand for Services &amp; Limited Funding,” as a horizon issue in its FY 2013 Business Plan. NHCD remains focused to increase and diversity revenues by utilizing strategic approaches to increase new funding in FY 2012-13. The Draft FY 2012-13 Action Plan only includes new federal entitlement grant funds. Traditionally, the City’s annual Action Plans have reflected local funding. The FY 2012-13 City budget is expected to be approved by the Austin City Council in September 2012. Once the City budget is approved, NHCD will notify HUD of any additional funding allocated by the City that will leverage the federal investment outlined in the FY 2012-13 Action Plan. NHCD anticipates publishing a comprehensive funding table that includes federal and local funds in fall 2012.</td>
</tr>
<tr>
<td>Will McCloud</td>
<td>Serve vulnerable populations and the City needs to take proactive measures in supplementing housing costs for these populations.</td>
<td>The Homeless/Special Needs Assistance and Renter Assistance categories continue to remain high priority in FY 2012-13. These categories include programs that provide rental housing subsidies for eligible individuals and their families.</td>
</tr>
</tbody>
</table>

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</tr>
</thead>
<tbody>
<tr>
<td>Jo Kathryn Quinn, Caritas of Austin</td>
<td>The Rapid Re-housing Program description does not mention anything about case management - successful rapid re-housing strategies across the country include intensive case management. Recommends a prioritization process for distribution of child care vouchers, with priority going to homeless families.</td>
<td>The City of Austin’s Emergency Solutions Grant new Rapid Rehousing program includes case management. All programming will be targeted to individuals experiencing homelessness and families. All Rapid Rehousing staff members will provide case management for their clients and, Rapid Rehousing staff located at the Downtown Austin Community Court will also focus on housing placement and developing landlord connections. The ESG Rapid Rehousing efforts will utilize best practices for Rapid Rehousing and lessons learned through the City’s Rapid Rehousing Demonstration program and the Homelessness Prevention and Rapid Rehousing Program. In addition, the City of Austin is committed to providing social services through its Child Care Services program in FY 2012-13. The Austin/Travis County Health and Human Services Department (HHSD) contracts with child care providers for services that increase the supply of quality child care, and with a social service agency that provides child care vouchers for families in crisis such as homelessness. The program provides services to children from low-income families with gross incomes less than 200 percent of Federal Poverty Guidelines who reside within Austin city limits. Historically being homeless/near-homeless has been the most common type of presenting crisis of the families served. For example: in Fiscal Year 2012 through May 2012, of all the children served by child care vouchers 61 percent were homeless and another 22 percent were near-homeless. However homelessness is not prioritized over other types of family crisis situations in the child care voucher program.</td>
</tr>
</tbody>
</table>
Fiscal Year 2012-2013

Action Plan

NEIGHBORHOOD HOUSING AND COMMUNITY DEVELOPMENT OFFICE

Presented to: Community Development Commission
June 12, 2012
FY 2012-13 Federal Funding Reduction

- CDBG: $8.2M
- HOME: $4.5M
- Sustainability Fund: $2.4M
- Unmet Needs: $3.0M

2010-11, 2011-12, 2012-13 - Est
FY 2012-13 Action Plan Process

- HUD’s Guidance on Non-Federal funding: non-federal sources are to be included if they are *reasonably expected* to be made available to address the needs outlined in the plan.

- NHCD is participating in the City’s FY 2012-13 formal budget process.

- The City budget is expected to be approved by the Austin City Council in September 2012; thus, the FY 13 Action Plan will only include federal funding.

- Once the City budget is approved NHCD will notify HUD and the community of any funding that will leverage federal investment outlined.
Increased Revenue through Strategic Pursuit of Grants

- $1.6 M Neighborhood Stabilization Program – Program Income
- $3 M 2011 Sustainable Communities Challenge Grant (3 year grant)
- $2.5 M Lead Hazard Reduction Grant (3 year grant)
- $250,000 Individual Development Account (5 year grant)

Total: $7.3M
Other Actions to Mitigate Decreased Federal Funding

These funds and programs will help NHCD maintain production levels in FY 13:

- Texas Department of Housing and Community Affair’s Reservation System
  - Amy Young for Architectural Barrier Removal
  - HOME Persons with Disabilities

- Private Lateral Program

- Implementation of cost efficiencies for business practices and customer service delivery systems
FY 2012-13 Action Plan
Significant Changes

- **Program Update**
  The following programs will come online in FY 13:

  - **Family Business Loan Program (FBLP)** provides fixed-asset and working capital loans to qualified small business owners. The goal is to target small businesses ready to expand and create jobs.

  - **Individual Development Account (IDA) Program** will assist low- and moderate-income households in saving for qualified program expenses including home purchase costs, higher education, and expenses related to small business development.
FY 2012-13 Action Plan

Significant Changes

- CDBG: 2.7% decrease
  - G.O. Repair! Program funded with CDBG ($400,000)
  - Action Plan budget only reflects CDBG funding for Public Services: Child Care, Senior, Youth Support Services, and Tenants’ Rights Assistance (2.9% decrease; remainder of request in local budget)

- HOME Investment Partnership: 39.5% decrease
  - Methodology of program impact based on historical production factors
Next Steps

- June 12th
  Community Development Commission (CCD) Public Hearing
- June 14th
  Austin City Council Public Hearing
- July 10th
  CDC recommendation to City Council
- August 2nd
  City Council take action on FY 2012-13 Action Plan
- August 1st
  Budget Work Session – Proposed budget presented to City Council
- August 15th
  FY 2012-13 Action Plan due to HUD
Next Steps

- **August 15th**: Budget Work Session – General Fund Departments
- **August 23rd & 30th**: City Council public hearings on proposed budget
- **September 10th – 12th**: City Council budget adoption
- **September 2012**: NHCD will notify HUD of any additional local funding allocated by the city that will leverage the federal investment in the Action Plan.
QUESTIONS
A FRAMEWORK FOR AN OPPORTUNITY-RICH SITING POLICY FOR
AFFORDABLE HOUSING IN AUSTIN, TEXAS

CHDO Roundtable May 2012

The CHDO Roundtable supports the adoption of a framework for siting affordable housing in Austin, Texas that will lead to more opportunities for renters and homeowners to live safely and affordably in all neighborhoods in Austin. We contend that high-quality affordable housing in Austin is possible through public investment and other incentives, and that the City of Austin has a proven track record of increasing opportunities for its residents and stabilizing the communities in which they and their neighbors live.

It is our vision that high-quality affordable housing serving people of all income levels be made available through creative solutions in all parts of town as has been successfully demonstrated in neighborhoods such as the former Mueller airport site and the University Neighborhood overlay located just west of the University of Texas. Elements of this vision include:

1. Income-eligible homeowners receive home repair services city-wide.
2. Income-eligible first-time homebuyers receive homeownership services city-wide.
3. Income-eligible renters, including residents who need permanent supportive housing and/or housing accessible for people with disabilities, have opportunities to rent safe and decent housing city-wide.

We oppose any siting policy that removes opportunities for safe and decent affordable rental housing in any specific part of Austin. Given the fact that, when compared to the rest of the country, the entire City of Austin is a high-opportunity area, it is not appropriate to impose restrictions on investment that might be very appropriate in other cities across the country. Our focus and the City’s focus should be on creative, opportunity-rich solutions that are eminently feasible if implemented sooner rather than later rather than on discussions of where disinvestment should occur.

Housing policies of the past in Austin focused investment in lower-income “target” neighborhoods, reinforcing income and racial segregation. An opportunity-rich siting policy can increase housing opportunities in neighborhoods where there are few or no opportunities currently.

Similarly, there are neighborhoods where the amount of private market housing that is affordable is diminishing, and incentives that reward net preservation are essential to offset the trend of involuntary displacement of lower income homeowners and renters. Whereas in the last century, Austin’s segregation practices and housing policies forced people of color and households with lower-incomes into specific parts of the city, today many of these same people now have generational ties with family members; businesses; schools and places of worship in these areas that they treasure and fear that they will lose because of skyrocketing property values and rising taxes. An opportunity-rich siting policy must allow for new homeownership opportunities; timely home-repairs for long-time homeowners; preservation of existing affordable housing; and the creation of new affordable rental units in traditionally low-income neighborhoods that are transforming into higher-opportunity areas.

Accessibility for people with disabilities; maintenance of all housing in a safe and sanitary condition; and creating proximity of housing to public transportation and services must be goals linked to an opportunity-rich siting policy that involves both investment and entitlement decisions.
Austin can choose to use its code enforcement resources to identify the least healthy and most unsafe properties in neighborhoods throughout the City in an effort to align its investment decisions to create both housing affordability and safe neighborhoods. We contend that no one wants to live near substandard housing, and a combination of appropriate investment and enforcement can make every neighborhood safer.

There is public land available throughout Austin. Some of the land owned by the City of Austin and other public entities is zoned "P" (public), and building affordable housing on these parcels may not be allowed currently unless a zoning change occurs. Austin should create an inventory of all the publicly-owned land and the zoning that currently exists. Rezoning appropriate parcels to "P" and making housing that meets certain affordability standards a permitted use in "P" zoning districts could be an effective strategy for achieving geographic dispersion through one city-wide conversation instead of multiple skirmishes over zoning and Future Land Use Map changes in areas with adopted neighborhood plans. Land located in flood plains; over and/or adjacent to former landfill sites; close to pipelines; and/or in the airport noise contour are not appropriate sites for affordable housing investment and/or entitlement and must be identified during the inventory process.

The appropriate use of public land, when combined with zoning entitlements; infrastructure cost participation; and other incentives can be critical in achieving the goal of geographic dispersion of housing affordability in neighborhoods in all parts of Austin. In this spirit, all existing density bonus policies must be re-examined and re-calibrated when necessary to improve their effectiveness.

Maps, market studies, and other planning tools that currently inform City investment decisions must be updated so that policy makers have the latest information about current trends and gaps in affordable housing opportunities. Generic, objective mapping should be combined with Austin-specific valuation given to opportunities and benefits garnered from linkages to family, community, and religious congregations that so often help sustain households with low income.

In the context of Central Texas' future projected growth, the trend toward a lack of affordability of all types of housing in all parts of town may seem inevitable to some, but it is not. We believe that it is vital for the City of Austin to place itself at the front of demographic trends by creating and taking advantage of opportunities. To that end, we present the following framework for an equitable, affordable, opportunity-rich siting policy for housing affordability that consists of three elements:

1. Up-to-date demographic analysis of present data and future trends as related to both NEEDS and OPPORTUNITIES
2. Setting GOALS over time, geography, and types of households served
3. Creation of NEW OPPORTUNITIES

Based on this framework, we offer the following Action Plan recommendations for FY 2012-2013

1. Map and inventory opportunities – Inventory public land, delinquent tax-payer parcels, and distressed and vacant properties for affordable housing
2. Update the Kirwan opportunity map
3. Inventory need – Conduct a new market study, including information for affordable housing needs subpopulations: persons with disabilities, seniors, families, and people with criminal histories
4. Long-term Goals – Create a long-term plan that sets goals over time (10-20 years) and associate these goals with geography and the entire housing spectrum
Creatively expand the opportunities for housing that is safe, decent and affordable in all parts of town by recommending the following actions:

1. Land use – Make housing affordability a permitted use on all land zoned “P” and re-zone City land to “P” where appropriate
2. Collaborate with Travis County, school districts, Capital Metro, and the State of Texas to identify parcels appropriate for achieving housing affordability
3. Explore opportunities for land leases with other public entities
4. Assess opportunities for sub-leasing
5. Collaborate with the Housing Authority of the City of Austin and the Travis County Housing Authority
6. Move toward implementation of Community Land trusts
7. Consider land-banking as a tool where appropriate
8. Promote and incent affordable housing in amenity-rich areas of Austin
9. Give favorable scoring for proposed housing applications in higher opportunity areas while balancing investment to also mitigate market pressures for involuntary displacement of lower income households
10. Develop and/or enhance financial and development incentives

For a siting policy to be effective, it must not become an unfunded and/or underfunded local mandate. Voters are scheduled to consider possible additional General Obligation bonds for housing affordability in November 2012. We ask the Community Development commission to recommend and the City Council to adopt the following:

1. Funding for the affordable housing investment gap identified in the budget presentation to the Community development Commission at its May 8, 2012 meeting
2. Transitional funding for FY 2012-2013 for home repair activities requested by the Austin Home Repair Coalition
3. Carrying forward to FY 2012-2013 the unspent funds from the Holly repair program
4. Allowing Austin voters to consider approving $110,000,000 in General Obligation Bonds for affordable housing in November 2012
5. Including in the FY 2012-2013 City budget funding for the restoration of fast-track/top-of-the- pile review and inspection of S.M.A.R.T. Housing that has been funded so that housing affordability opportunities can be created more quickly
My name is Stuart Harry Hersh, and like most in Austin I rent. I am here in my role as vice-chair of the CHDO Roundtable, a coalition of not-for-profit organizations that build, rehabilitate and repair housing in Austin that is affordable, safe, decent, accessible and close to public transportation.

I am asking you to adopt the CHDO Roundtable's Framework for An Opportunity-Rich Siting Policy for Affordable Housing in Austin, Texas as part of the Action Plan this year. This document provides recommendations for Council action in a year when federal investment in housing affordability is declining dramatically and we strive to make it possible for the poorest among us to live in more neighborhoods all around Austin.

I thank you for your action earlier this morning on reviewers and inspectors, and hope that this will result in the restoration of fast track review and inspection for S.M.A.R.T. Housing when the City manager presents the draft budget later this summer.

I don't have to tell any of you that housing affordability is a critical moral issue in a year when you receive an Action Plan for the first time in the 21st Century that has no commitment to local funding. It is a moral issue when those performing essential jobs in Austin have to continue to choose between housing they can afford and housing that is safe.

We may be losing our competitive advantage to other states and other cities in Texas when housing is not available for employees of businesses that are already here or those considering moving here.

This issue is more local than it has been in the past because of bipartisan federal disinvestment in housing. Yet the Action Plan before you contains no local funding. So I ask you to do a couple of things:

1. Use local finds to address the budget gap for NHCD identified by the Budget Office when you take up the City budget.
2. Ask voters to approve $110,000,000 in housing bonds this November as recommended unanimously by the Housing Committee of the Bond Task Force.
3. Maintain the vibrant Austin Housing Repair Coalition's work by creating transitional funding while bond elections and possible bond sales wind their way through the process.
4. Carry forward the unspent Holly Good Neighborhood funds to make housing safer in East Austin.
5. Embrace entitlement tools that don't cost money and are recommended by the CHDO Roundtable.
6. Move S.M.A.R.T. Housing and home repair permits and inspections to the top-of-the-pile once again so that all City departments are aligned through the budget process with your and our housing affordability goals.

Stuart Harry Hersh, 1307 Kinney Av #117, Austin, TX 78704  512-587-5093 (cell)
Community Conversations
Financial Empowerment in Austin!

Friday, March 30, 9 am - 10:30 am
Neighborhood Housing and Community Development Office, 1000 E. 11th Street, Room 400A

Conversation topics will include financial education, and homebuyer education, including the City’s down payment assistance program. Learn about programs underway in Austin and join in the casual dialogue to ensure NHCD’s programs are responsive to residents’ needs.

Healthy Homes & Home Repair

Friday, April 13, 9 am - 10:30 am
Neighborhood Housing and Community Development Office, 1000 E. 11th Street, Room 400A

Often, maintaining or making needed repairs on a house over time can be out of reach for Austin’s low-income households. Join NHCD to learn about existing programs and discuss ideas for healthy homes for Austinites.

Affordable Housing Across Austin

Tuesday, April 24, 9 am - noon
Austin City Hall, City Council Chambers, 301 W. 2nd St.

The City continues to explore, through important policy discussions, how to ensure affordable housing in all parts of Austin. Other communities have tried different strategies: Hear how other communities achieve affordable housing and weigh in on strategies best for Austin!

RSVPs requested to NHCD@austintexas.gov.
Questions? Contact Patricia Bourenane at (512) 974-1057 or patricia.bourenane@austintexas.gov.
Community Conversation
Financial Empowerment in Austin!
Friday, March 30, 9 am
Neighborhood Housing and Community Development Office
1000 E. 11th Street, Room 400A

Facilitation by Larry Schooler, Community Engagement Consultant
Corporate Public Information Office

**Objective of the meeting:**
Gather feedback on how NHCD can strengthen and grow financial education and empowerment tools into its current and future programs.

<table>
<thead>
<tr>
<th>Time</th>
<th>Activity</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 – 9:05 am</td>
<td><strong>Opening</strong></td>
<td>Neighborhood Housing and Community Development</td>
</tr>
<tr>
<td>9:05 – 9:15 am</td>
<td><strong>Overview of City of Austin Initiatives</strong></td>
<td>City of Austin Departments Council Member Bill Spelman's Office</td>
</tr>
<tr>
<td>9:15 – 10:15 am</td>
<td><strong>Community Conversation</strong></td>
<td>All, facilitated by Larry Schooler, Community Engagement Consultant</td>
</tr>
<tr>
<td>10:15-10:30</td>
<td><strong>Closing</strong></td>
<td>Larry Schooler</td>
</tr>
</tbody>
</table>

Thank you very much for your participation.
www.austintexas.gov/housing

The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request.
The Financial Empowerment in Austin! community conversation brought together 32 people from almost 20 local agencies whose mission and efforts are dedicated to promoting financial empowerment and offering financial educational tools to individuals seeking assistance or to further their opportunities for personal or professional growth. Organizations that participated in this conversation included: Austin Area Urban League, Austin Community College, City of Austin, ClearPoint, Cornerstone Financial Education, Council Member Bill Spelman’s Office, Financial Literacy Coalition, Foundation Communities, Frameworks CDC, Frost Bank, Habitat for Humanity, Housing Authority of the City of Austin, LifeWorks, Opportunity Texas, PeopleFund, SafePlace, Texas Department of Housing and Community Affairs, and United Way Capital Area.

The event fostered a robust conversation, facilitated by the City’s Community Engagement Consultant, that allowed designated time for each agency and individual to provide insight and their unique perspective on how as leaders in the financial industry, we can address and tackle the community’s needs. Outlined below are questions that were posed to participants and the brief responses provided. The consistent theme that was highlighted throughout the dialogue was the need for enhanced coordination between all agencies. A few agencies indicated that the event was the first opportunity that brought together key stakeholders and expressed a desire for continuing communications. A few agencies stated that there are a wealth of programs and innovative ideas that local agencies provide; however, together, there needs to be better coordination and enhanced communication ensuring clients’ needs are met.

Objective of the meeting:
Gather feedback on how NHCD can strengthen and grow financial education and empowerment tools into its current and future programs.

1. Based on what you know of the City’s programs, what does the City do well, and what can it do better?

Feedback:
- More coordination
- Broader, post-employment services
- More investment in child-care services for parents in school
- Evaluate program metrics
- Metrics to measure more than end products (e.g. HS financial literacy quiz)
- Alignment of housing production with ready clients
- City does well to provide Spanish services, help provide funding to other organizations
- More marketing, incentives, buzz, awareness-building around financial empowerment
- What does financial empowerment mean? Avoid silos.
2. What is the framework for encouraging true financial independence?

Feedback:
- More emphasis on financial empowerment, literacy can only go so far. Do not assume lack of literacy.
- A storage facility to provide security for craftsmen’s tools.
- De-coupling education from homebuyer assistance funding.
- Need financial literacy mandate to be funded.
- Improved integration of the suite of services – the City to be a role model/thought leader.
- Change in tone.
- Integrate conversations to one place.
- Tie-in more services – people don’t show for voluntary services connected to benefits.

3. What mediums should the City use to reach Austinites on programs that provide financial education?

- TV commercials
- Social media (Facebook, Twitter)
- Advertising (on public transit - bus, in Spanish)

4. How can the City reach Austinites?

Feedback:
- Provide gift cards and food cards
- Tie the promotional event to services the audience needs

5. What is the message?

Feedback:
- “Financially Fit” and where the audience can get those services

6. Thoughts on the integration of financial empowerment education.

Feedback:
- Banking
- Higher education
- Agencies

Thank you very much for your participation.
www.austintexas.gov/housing

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AGENDA

Community Conversation
Healthy Homes & Home Repair
Friday, April 13, 9 am
Neighborhood Housing and Community Development Office
1000 E. 11th Street, Room 400A

Facilitation by Larry Schooler, Community Engagement Consultant
Corporate Public Information Office

Objective of the meeting:
Gather feedback on how NHCD can strengthen its home repair programs and services to create healthier homes for Austinites.

<table>
<thead>
<tr>
<th>Time</th>
<th>Session Description</th>
<th>Facilitator</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 – 9:05 am</td>
<td><strong>Opening</strong> Neighborhood Housing and Community Development</td>
<td></td>
</tr>
<tr>
<td>9:05 – 9:10 am</td>
<td><strong>Introductions</strong></td>
<td>All</td>
</tr>
<tr>
<td>9:10 – 9:25 am</td>
<td><strong>Overview of City of Austin Collaborations</strong></td>
<td>City of Austin Departments</td>
</tr>
<tr>
<td>9:25 – 10:25 am</td>
<td><strong>Community Conversation</strong></td>
<td>All, facilitated by Larry Schooler, Community Engagement Consultant</td>
</tr>
<tr>
<td>10:25-10:30</td>
<td><strong>Closing</strong> Larry Schooler</td>
<td></td>
</tr>
</tbody>
</table>

Thank you very much for your participation.
www.austintexas.gov/housing

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Community Conversation
Healthy Homes & Home Repair
Friday, April 13, 2012 | Neighborhood Housing and Community Development (NHCD) Office

The Healthy Homes & Home Repairs community conversation brought together key stakeholders whose efforts are dedicated to providing critical home repair services to help keep residents' homes hazardous –free and accessible. As a result, these services create healthier homes and preserve the affordable housing stock in Austin. Local organizations that participated in this event included: Austin Area Urban League, Austin Habitat for Humanity, Community Action Network, Easter Seals of Central Texas - Community Housing Services, Home Repair Coalition, Meals and Wheels and More, and Women.Design.Build.

The dynamic conversation provided an opportunity for several participants to voice their unique perspectives and offer insight on how the City can enhance partnerships, create a more comprehensive approach in offering services and streamline processes to ensure a more prompt and efficient repair process. The consistent theme taken from the conversation was the need for a comprehensive assessment tool that could be utilized by the City of Austin and local service providers to identify households in need of home repair. In addition, there were requests for more collaboration and consultation between the City of Austin and local agencies when designing and launching new home repair programs. There was also mention that NHCD should explore other city’s (e.g. Baltimore, Maryland) home repair business models. The City of Baltimore is a leader in integrating a collaborative home repair program design that has enhanced partnerships, braided funding resources, and improved overall outcomes on home repair programs; thus, increasing access and more effectively serving its clients.

Outlined below are current programs offered by the City of Austin and areas participants identified as opportunities and challenges regarding the NHCD’s’s current practices and ideas for overcoming these barriers.

**Current City of Austin Programs**
- Architectural Barrier Removal (Owner/Rental) – NHCD
- Homeowner Rehabilitation Loan Program – NHCD
- GO! Repair Program – NHCD
- Emergency Home Repair – NHCD (current program - added to the list after the April 13th)
- LeadSmart Program – NHCD
- Private Lateral Program – Austin Water Utility and NHCD
- Short-Term Displacement Assistance – Code Compliance
- Weatherization – Austin Energy

**Objective of the meeting:**
Gather feedback on how the City’s Neighborhood Housing and Community Development (NHCD) Office can strengthen its home repair programs and services to create healthier homes for Austinites.
## Opportunities

### Feedback:
- Expedite the process for sewer line program
- Collaborate more with stakeholders on new programs at the beginning of the process
- Be proactive on sites for sewer lines
- More collaboration among City programs and City to external programs
- Central application that all organization use with one comprehensive inspection
- Centralized database of providers and clients (privacy issues)
- Recoup costs at point of sale
- Comprehensive assessment tool
- Learn from other cities who are doing it well (Baltimore, Maryland)
- Combine conversation with Ending Community Homelessness Coalition, who are also moving towards a common screening/assessment tool
- House all programs in one place (NHCD)
- More creativity and collaboration – sense of urgency
- Workforce development – cross training
- City departments join Home Repair Coalition
- More flexibility, less expensive costs per unit with non-profit organizations vs. City departments (e.g., procurement budget, etc.)
- Non-profits can bring additional funding if supported better by the City of Austin

## Challenges

### Feedback:
- Sustainability – we are going to run out of money/funding
- Getting questions answered (by agencies or clients)
- Specialty design of different programs makes changing the system challenging
- Defining geographic boundaries of City programs
- Need healthcare network at the table

Thank you very much for your participation.

www.austintexas.gov/housing

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Affordable Housing Across Austin

Tuesday, April 24, 9 am
City Hall, City Council Chambers
301 W. 2nd St.

Facilitation by Larry Schooler, Community Engagement Consultant
Corporate Public Information Office

**Objective of the meeting:** Evaluate affordable housing siting approaches and solicit feedback on what approaches are best for Austin.

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Presenter/Institution</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 – 9:05 am</td>
<td>Opening</td>
<td>Council Member Laura Morrison</td>
</tr>
<tr>
<td>9:05 – 9:20 am</td>
<td>Presentation: Where should poor people live?</td>
<td>Dr. Elizabeth Mueller, UT School of Architecture/Community Development Commission</td>
</tr>
<tr>
<td>9:20 – 9:35 am</td>
<td>City of Austin Overview</td>
<td>Betsy Spencer, Director Rebecca Giello, Assistant Director Neighborhood Housing and Community Development Office</td>
</tr>
<tr>
<td>9:35 am – 9:45 am</td>
<td>Break</td>
<td></td>
</tr>
<tr>
<td>9:45 – 11:15 am</td>
<td>National Virtual Panel</td>
<td>Robert Hickey, Center for Housing Policy, DC Charles Brideau, City of Dallas, TX Shawn McNamara, City of Raleigh, NC Jacky Morales-Ferrand, City of San Jose, CA Pam Wideman, City of Charlotte, NC</td>
</tr>
<tr>
<td>11:15 – 11:55 am</td>
<td>Community Conversation</td>
<td>All, facilitated by Larry Schooler, Community Engagement Consultant</td>
</tr>
<tr>
<td>11:55 – 12:00 pm</td>
<td>Closing Remarks</td>
<td>Betsy Spencer</td>
</tr>
</tbody>
</table>

Thank you very much for your participation.

www.austintexas.gov/housing

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Affordable Housing Across Austin

Virtual Panelist Biographies

Robert Hickey
Center for Housing Policy
Washington D.C.
Robert Hickey is a Senior Research Associate with the Center for Housing Policy in Washington, D.C. The Center is the research affiliate of the National Housing Conference, and works to make innovative housing policies and research more accessible to practitioners nationwide through resources like HousingPolicy.org.

Robert is currently overseeing a national scan of best practices for promoting inclusive housing. Before the Center, he worked as a planning and economic consultant and an affordable housing researcher. He has written extensively for the Enterprise Foundation, Great Communities Collaborative and San Francisco Foundation on policy and planning strategies for creating affordable homes in transit-oriented communities. He has also prepared fiscal, market and economic impact analyses as a consultant at Strategic Economics, and helped California jurisdictions like Milpitas and Sebastopol prepare multi-year housing plans. Robert holds a master’s degree in city and regional planning from the University of California–Berkeley.

Charles Brideau
Housing/Community Services Department
City of Dallas, Texas
Charles has more than 25 years of increasingly responsible affordable housing management experience, primarily in the areas of program management, contract administration, monitoring and compliance; portfolio management, budget and fiscal oversight; and housing, commercial and mixed-used development. From 1986 to 1998, he oversaw divisions of the Albuquerque Housing Authority dealing with low-income public housing, home repairs and housing reconstruction. Since 1998, Charles has overseen sections of the Dallas Housing / Community Services Department involved in single- and multi-family development, monitoring and compliance, asset management, fiscal administration of annual budgets of more than $140 million and a Section 108 Loan Guarantee program with total authority to lend up to $75 million in development funding.
Shawn McNamara
Community Development Department
City of Raleigh, North Carolina

Shawn McNamara is the Program Manager at the City of Raleigh Community Development Department Strategic Planning Division. Shawn holds a B.A. in Political Science from Old Dominion University and a master’s of planning degree from the University of Virginia. Shawn joined the department in December 2003, coming from the Town of Cary, North Carolina, where he served since September 1998 as the Town’s first Affordable Housing Planner. Prior to that, he was a Senior Policy Analyst at the Virginia Department of Housing and Community Development. Most of Shawn’s career has been involved in affordable housing policy, neighborhood revitalization, and community development. Shawn is married to Terry, a special education teacher, and has a daughter at NC State and a son at Cary High School.

Jacky Morales-Ferrand
Housing Department
City of San Jose, California

Jacky Morales-Ferrand is the assistant director of the Housing Department for the City of San Jose. She has more than 20 years of experience in affordable housing and community development, program implementation and policy development in the public, for-profit and nonprofit sectors. Since 1998, more than 17,500 affordable homes have been developed in the City of San Jose with over 5,900 units completed in the past five years utilizing a variety of funding and regulatory measures. Jacky worked on the passage of a citywide inclusionary housing policy that was recently passed by the San Jose City Council. She served as a Planning Commissioner for the City of Centennial, Colorado, and served on numerous nonprofit boards. She has a master’s in public administration from the University of Colorado.

Pamela Wideman
Neighborhood and Business Services
City of Charlotte, North Carolina

Pamela currently serves as an Assistant Director in the City’s Neighborhood & Business Services Department. In that role she is responsible for oversight of the City’s Affordable Housing programs, the City’s Housing Trust Fund activities, the City’s Ten-Year Plan to End and Prevent Homelessness, and Budget and Finance activities.

Pamela received her master’s degree in public administration from UNC - Charlotte and her bachelor’s degree in business administration from Belmont Abbey College. She is also a graduate of UNC-Chapel Hill’s Institute of Government-Municipal Administration Program.
Affordable Housing Siting Policies

Charlotte, NC
Charlotte’s Housing Locational Policy has changed over time. Between 2001 and 2010, the policy discouraged affordable housing in neighborhoods with low median incomes while encouraging it in areas with high levels of homeownership. Its new policy, adopted in 2011, channels new affordable development toward neighborhoods that are both “Stable” and have no more than 15% subsidized housing. Rehabilitation is allowed anywhere in the city – including “Challenged” and “Transitioning” neighborhoods – so long as it does not add to the local subsidized unit count. Conversions of market-rate housing to affordable housing are allowed in the same neighborhoods as new affordable housing, and under certain circumstances in “Transitioning” or “Challenged” areas. A policy map summarizes the city’s “Permissible” areas for multifamily development. Senior housing and housing for disabled populations are exempt. City Council also has the authority to grant waivers on a case-by-case basis.

Dallas, TX
Dallas is in the development phase of a locational or siting policy. The City has an extensive Housing Element in its forwardDallas! comprehensive plan passed by their City Council in 2006. The Housing Element addresses housing needs in various parts of the city. The plan addresses work with the Dallas Housing Authority to develop housing targets for a mix of housing types. There is a goal of attracting middle- and higher-income households into certain sectors of the city and encouraging greater homeownership and mixed-income rental opportunities. Encouraging higher density development near the DART train stations is a goal. Furthermore, they plan to work with the North Central Texas Council of Governments to develop policies to allocate a fair share of affordable housing.

Raleigh, NC
Raleigh uses various policies to encourage dispersed affordable housing. At the core of these is its Scattered Site Policy [See Appendix H of the Raleigh Consolidated Plan]. This policy establishes six criteria of roughly equal weight for rating housing proposals seeking city financial assistance. Among these are:

1) Proximity to existing subsidized affordable housing.
2) Proximity to transit.
3) Location either in “First Priority Areas” (areas continuing to experience growth, near retail and offices, with low percentages of minority populations and low-income residents), or in “Second Priority Areas” (similar to First Priority Areas but more racially mixed).
4) The need to rezone the site (these sites score less well than sites already zoned appropriately).
5) Degree of on-site management.
6) Project design and appearance.

Assisted housing developments are not permitted in census tracts where more than 50% of the population earns less than 60% of area median income, and concentrations of minority populations exceed 60%. Redevelopment areas are exempt from the scattered site policy. New development proposals in these areas must instead conform to approved, local redevelopment plans.
San Jose, CA
San Jose’s policy is framed by a positive rationale for dispersion. It applies only to new affordable housing developments financed by the City. Rehabilitation and housing for moderate-income households are exempt. While stating that no area of the city should be arbitrarily excluded from consideration as a site for affordable housing, the City requires “careful consideration” of any project proposed in a census tract where more than 50% of households earn less than 80% of median income. The same consideration is required for areas adjacent to these tracts. Additionally, the policy directs the Council to consider on a case-by-case basis the project’s proximity to other City-financed affordable housing developments; the project’s relationship to Council-adopted development plans and strategies; the project’s contribution to neighborhood improvement or revitalization; and the existing income mix of the local census tract. City staff must also evaluate and report annually on how well the policy is performing toward its dispersion goals.

Demographics-by-City Comparison Chart

<table>
<thead>
<tr>
<th>City</th>
<th>2010 Population</th>
<th>Minority Population</th>
<th>Median Household Income</th>
<th>Poverty</th>
<th>Renters Housing Cost Burdened</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austin, TX</td>
<td>790,390</td>
<td>51.3%</td>
<td>$47,434</td>
<td>21%</td>
<td>55%</td>
</tr>
<tr>
<td>Charlotte, NC</td>
<td>731,424</td>
<td>54.9%</td>
<td>$49,616</td>
<td>17%</td>
<td>52%</td>
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<tr>
<td>Dallas, TX</td>
<td>1,197,816</td>
<td>71.2%</td>
<td>$40,650</td>
<td>24%</td>
<td>49%</td>
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<tr>
<td>Raleigh, NC</td>
<td>403,892</td>
<td>46.7%</td>
<td>$49,931</td>
<td>18%</td>
<td>49%</td>
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<tr>
<td>San Jose, CA</td>
<td>945,942</td>
<td>71.3%</td>
<td>$76,794</td>
<td>13%</td>
<td>53%</td>
</tr>
</tbody>
</table>

*Data collected from the American Community Survey 2010

1 City staff has recently raised questions about whether 80% of median income is too high a threshold.

**Charlotte, Raleigh and San Jose summaries provided by the Center for Housing Policy, 2012.
Where should low income people live?

Elizabeth Mueller, Ph.D.
University of Texas at Austin and Community Development Commission
City of Austin—Community Conversation
April 24, 2012
Overview:

• *Factors that have shaped where low income people live now*

• *The problems resulting from exclusion of low income people from some areas and their concentration in other areas within cities*

• *Current debates about how we ought to site affordable housing to respond to these concerns*
• *Factors that have shaped where low income people live now:*

  – Plans and planning
  – Housing finance and development practices
  – Federal Housing policies
Planning: Austin’s 1928 plan codifies “separate but equal”
1950s plans and industrial zoning
Zoning and MF housing patterns
Housing finance and development: the birth of redlining

Compounded by federal highway building

• [Austin’s lending security map—not available]
Problems persist...

- 2002 HUD housing discrimination study found:

<table>
<thead>
<tr>
<th></th>
<th>Austin</th>
<th>US</th>
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</thead>
<tbody>
<tr>
<td>Hispanics</td>
<td>31.9</td>
<td>19.7</td>
</tr>
<tr>
<td>Blacks</td>
<td>25.3</td>
<td>17</td>
</tr>
</tbody>
</table>

- Risk of foreclosure highest for minorities, tremendous loss of wealth
Past programs:

Public housing, project-based section 8 buildings continue to serve low income residents.

Located in an arch around the central core, to the north, east and south.

None west of MoPac.
Public subsidies for privately built affordable housing

- Federally funded programs (including tax credits) favor “qualified census tracts” or “areas of chronic economic distress”
- States award federal tax credits, Texas allows opposition to easily block projects.
- New HUD initiatives favor co-locating housing and transit to reduce combined spending--new patterns not yet clear.
Texas tax credit process under scrutiny for encouraging segregation

“Low-Income Housing Effort Compels Building in Poor Areas,”
by Karisa King, San Antonio Express-News, and Ryan Murphy
April 22, 2012
Problems resulting from low income exclusion/concentration

• *Poorer access to:*
  – Educational opportunities
  – Health care, recreation
  – Healthy food
  – Jobs

• *Greater exposure to:*
  – Crime
  – Natural disasters
  – Foreclosure
Texas Metros: Housing and Segregation

TEXAS METROS ARE HIGHLY SEGMENTED BY TENURE, TYPE, AND ESPECIALLY BY HOUSING VALUE
Values closer to 1.0 indicate homogeneity within neighborhoods (census tracts)

<table>
<thead>
<tr>
<th>Sorting Indices</th>
<th>Austin</th>
<th>San Antonio</th>
<th>Houston</th>
<th>Dallas</th>
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</thead>
<tbody>
<tr>
<td>Tenure (homeownership rate)</td>
<td>0.75</td>
<td>0.57</td>
<td>0.65</td>
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<tr>
<td>Type (percent single-family&lt;sup&gt;a&lt;/sup&gt;)</td>
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<td>0.60</td>
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<td>Value (Median value, owner-occupied)</td>
<td>0.87</td>
<td>0.78</td>
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<sup>a</sup> Single-family includes both detached and attached units. It excludes mobile homes.

All between-tract and within-tract differences significant at p<.001.

Shannon van Zandt, Texas A&M University.
Measures of “opportunity” reinforce these findings: sharp divide between east and west
Subsidized housing is rarely found in high opportunity areas.
• **Strategies for overcoming exclusion/concentration:**

  – Increase choices throughout the community—*affordable rental housing/vouchers in areas formerly off limit*
  
  – Avoid creating/increasing concentrations of poor people—*avoid existing low income areas*

*But also...*

  – Improve conditions in existing low income communities—*preserve/upgrade units, especially in changing areas*
But...

- It will cost more per unit
- Requires political will from elected officials
- Requires a vision of successful integration
- Tension between moving/housing individuals and acknowledging and supporting existing low income communities
Geographic Dispersion of Affordable Housing: Practices, Strategies, Policies

PRESENTATION BY:
NEIGHBORHOOD HOUSING AND COMMUNITY DEVELOPMENT
APRIL 24, 2012
Overview

- Resolution Overview
- Current Practices, Strategies
- Research Overview
- Initiative & Research Partnerships
- Next Steps
“...City Manager is directed to work with the Community Development Commission and other stakeholders to develop recommendations for additional strategies of achieving geographic dispersion of affordable housing....brief the City Council on additional strategies...and the feasibility of implementing those strategies for the City of Austin.”
Affordable Housing Core Values

1. Long-Term Affordability
2. Geographic Dispersion
3. Deeper Levels of Affordability
Housing Siting Policy: A policy that directs the deliberate investment of public funding used to achieve desired outcomes.

One key objective can be the dispersion of affordable housing in specific parts of the community.
Austin’s Approach: Strategic

- Kirwan Opportunity Map: Instrument to identify opportunity areas in Austin
- “Priority Locations”: VMU/PUD/TOD
- Preservation of existing affordable housing
- Permanent Supportive Housing
- Compatibility with Neighborhood Plan (if applicable)
Austin’s Current Dispersion
Research Overview

- National review of policies and practices
  - Focused on peer cities
  - Identified cities, communities based on comparable constraints, opportunities
- Three categories of practices, strategies, policies:
  - Goal-Based: Sets a target or goal
  - Capacity-Based: Creates a formula
  - Strategic: Directed investment
Goal-Based Approaches

- Sets a goal and/or target for a pre-defined geographic area based on a needs analysis of the area or region.

Example: **Massachusetts** Chapter 40B–ordinance requiring a given share of new construction to be affordable by people with low to moderate incomes (“Inclusionary Zoning”)

Example: **Portland Metro** “Fair Share” model – regional comprehensive plan to achieve equitable income distribution across metropolitan jurisdictions

Example: **Mueller** Community – Requirement for 25% of all for-sale and for-rent homes in the Planned-Unit Development to be affordable.
Capacity-Based Approaches

- Creates a formula by which to exempt communities and/or geographic areas from an affordable housing requirement if they can demonstrate they have already reached a quota based on a formulaic capacity.

- Example: **Seattle** – defines capacity by number of housing units in a census block group and restricts new rental affordable housing development in those areas with some exceptions.

- Example: **Raleigh** – defines capacity as census tracts with majority low-income and minority population and restricts new affordable housing development in those areas.
Strategic Approaches

- A place-based approach, in which the jurisdiction targets investment in affordable housing in specific geographic areas. Often this investment is aligned with other systems to ensure maximum efficiency in affordable housing siting.
- Example: **Denver** - targets funding to affordable housing development seeking to preserve affordable housing near current or proposed rail lines.
- Example: **San Jose** - considers a project’s relationship to Council-adopted development plans and strategies and the project’s contribution to neighborhood improvement or revitalization.
Vision: The City of Austin commits to the creation and preservation of housing in all parts of Austin that meets the needs of all Austin residents of extremely low to moderate income tied to an analysis of identified housing gaps.

The vision should incorporate the following goals:

1. Maximizes affordable housing opportunities in dispersed geographic locations;
2. Ensures Fair Housing choice;
3. Maximizes access to areas of high opportunity;
4. Recognizes the draft Imagine Austin Comprehensive Plan; and
5. Is feasible for the City of Austin to administer.
The vision should take into account the following tools:

1. Relevant, timely and accurate data that reflects areas of high opportunity, currently demonstrated by the Kirwan Institute Opportunity Map;

2. Future areas of growth as presented in the draft Imagine Austin Comprehensive Plan and Growth Concept Map; and

3. The location of existing subsidized housing stock in the City.

4. The location of existing aging multi-family housing stock.

5. The City of Austin Draft Good Neighbor Guidelines.
Feasibility Assessment

- **Legal**: Does the approach adhere to fair housing and anti-discrimination standards?
- **Economic/Financial**: What does this approach do to the cost of developing affordable housing? What does it do for the costs of living in affordable housing?
- **Social**: What could the response be from citizens and neighborhoods?
- **Political**: What could the response be from elected officials?
- **Technical/Administrative**: Is publicly-available data accessible for this approach and can administrative standards be created to enforce it?
- **Operational**: Does this approach create barriers to the production of affordable housing?
Research Timeline

- April – May: Continue convening the CDC Working Group as needed to conclude tasks
- April – July: Receive community input through the Action Plan process
- July – CDC to consider recommendations for additional Housing Siting practices, strategies
- August: Inclusion of recommendations for Housing Siting practices, strategies to be included in final FY12-13 Action Plan
Discussion/Questions
Inquiry:

The City of Austin Neighborhood and Community Development Office has been tasked by the City Council with researching and analyzing strategies to promote geographic dispersion of subsidized affordable housing citywide. What are some best practices of local affordable housing siting policies?

Response:

Carefully constructed siting policies consider multiple factors for determining where to promote affordable housing. Median neighborhood income and existing affordable housing stock are weighed alongside other factors such as: where new growth is occurring, transit proximity, proximity to other assets such as schools, and neighborhood-defined housing needs. These siting policies vary considerably based on the type of housing being proposed (ex: new construction vs. rehabilitation; affordable homeownership vs. senior or special needs; mixed-income vs. 100% affordable). Some siting policies are implemented through local affordable housing funding decisions. Others provide guidance to permitting decisions, or in how publicly owned land will be used.

But requiring dispersion is not the same as enabling or achieving it. Ultimately, dispersion strategies are most effective when matched with policies that help reduce the challenges and costs of creating affordable housing in more exclusive neighborhoods. Many of the jurisdictions we encountered take this two-pronged approach.

Accordingly, this memo is divided into two parts:

1) Developing siting policies that promote dispersion, and
2) Creating effective tools for overcoming barriers in opportunity-rich areas.

We conclude with other considerations that draw inspiration from state and federal policies.

1) Local Siting Policies that Promote Dispersion

Most local, affordable housing dispersion strategies operate through inclusionary zoning to promote affordable housing wherever new market-rate development is occurring. However, our scan also identified dispersion strategies that are not tied to inclusionary housing, which is illegal in Texas.

A common thread among the non-inclusionary housing policies we reviewed is that multiple factors enter into jurisdictional decisions about where to promote new affordable housing. These factors may include – but rarely are they limited to – avoiding areas where lower-income households are concentrated.

- **Raleigh** (North Carolina) – Raleigh uses various policies to encourage dispersed affordable housing. At the core of these is its Scattered Site Policy. [See Appendix H of the Raleigh Consolidated Plan] This policy establishes six criteria of roughly equal weight for rating housing proposals seeking city financial assistance. Among these criteria are:
  1) Proximity to existing subsidized affordable housing.
2) Proximity to transit.

3) Location either in “First Priority Areas” (areas continuing to experience growth, near retail and offices, with low percentages of minority populations and low-income residents), or in “Second Priority Areas” (similar to First Priority Areas but more racially mixed).

4) The need to rezone the site (these sites score less well than sites already zoned appropriately.)

5) Degree of on-site management.

6) Project design and appearance.

Assisted housing developments are not permitted in census tracts where more than 50% of the population earns less than 60% of area median income, and concentrations of minority populations exceed 60%.

Redevelopment areas are exempt from the scattered site policy. New development proposals in these areas must instead conform to approved, local redevelopment plans.

To learn other ways that Raleigh is seeking to promote affordable housing dispersion, see Raleigh 2030: Housing.

• Charlotte (North Carolina) – Charlotte’s Housing Locational Policy has changed over time. Between 2001 and 2010, the policy discouraged affordable housing in neighborhoods with low median incomes while encouraging it in areas with high levels of homeownership. Its new policy, adopted in 2011, channels new affordable development toward neighborhoods that are both “Stable” and have no more than 15% subsidized housing. Rehabilitation is allowed anywhere in the city – including “Challenged” and “Transitioning” neighborhoods – so long as it does not add to the local subsidized unit count. Conversions of market-rate housing to affordable housing are allowed in the same neighborhoods as new affordable housing, and under certain circumstances in “Transitioning” or “Challenged” areas. A policy map summarizes the city’s “Permissible” areas for multifamily development. Senior housing and housing for disabled populations are exempt. City Council also has the authority to grant waivers on a case-by-case basis.

• Portland (Oregon) – Portland’s Location Policy discourages “unnecessary” concentration of poverty for developments seeking CDBG, HOME, tax increment financing, or other local subsidies. The focus of the policy is the city’s “impact areas,” where more than half of households earn less than 50% of median income, or more than 20% of housing units are publicly assisted. Funding requests for very-low-income affordable housing in these areas are generally denied, though not always. One exception is made for housing for victims of domestic violence. Additionally, a developer can retain funding eligibility by meeting two of the following exception criteria:
  o rehab of substandard housing
  o housing to meet local need
  o housing that meets objectives of a local plan
  o support from all neighborhood associations within 400 feet, or
  o fulfills shelter reconfiguration.
• **Falmouth** (Massachusetts) – Falmouth has established “Guidelines for Siting Multi-Family Housing” that influence its permitting decisions. Siting criteria include:
  o the percentage of affordable housing that already exists within the planning district,
  o proximity to various “assets” (including schools),
  o avoidance of various “constraints” (such as isolated locations, major road intersections, industrial areas, and critical wildlife or wetland areas), and
  o reuse or redevelopment of an existing site or structure.

• **San Jose** (California) – San Jose’s policy is framed by a positive rationale for dispersion. It applies only to new affordable housing developments financed by the City. Rehabilitation and housing for moderate-income households are exempt. While stating that no area of the city should be arbitrarily excluded from consideration as a site for affordable housing, the City requires “careful consideration” of any project proposed in a census tract where over 50% of households earn less than 80% of median income. The same consideration is required for areas adjacent to these tracts.1

  Additionally, the policy directs the Council to consider on a case-by-case basis the project’s proximity to other City-financed affordable housing developments; the project’s relationship to Council-adopted development plans and strategies; the project’s contribution to neighborhood improvement or revitalization; and the existing income mix of the local census tract.

  City staff must also evaluate and report annually on how well the policy is performing toward its dispersion goals.

• **Tallahassee** (Florida). Tallahassee’s inclusionary policy directs affordable housing requirements to census tracts where family income is above the county-wide median, and to various targeted planning areas.

2) **Tools for Overcoming Barriers in Opportunity-Rich Areas**

Austin may find it useful to provide additional incentives and financial assistance in priority areas for new affordable housing development. These tools can provide incentives for market-rate developments to include affordable housing at the same time that they help make 100% affordable housing developments more feasible in expensive areas. They can also be used to help steer new affordable development toward certain locations.

Helpful tools include:

• Greater zoning flexibility for developments with affordable housing. (For example: density bonuses, reduced parking requirements, and flexible setback allowances).
  o **Density Bonuses in California.** Per state law, California jurisdictions grant density bonuses of 20-35 percent for projects that make a certain percentage of their units affordable to lower-income households. Additionally, developers are allowed a certain number of development “concessions” or “incentives”  

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1 City staff has recently raised questions about whether 80% of median income is too high a threshold.
depending on affordability level, such as parking space reductions, height limit adjustments, etc.

- **Streamlined permitting.**
  - **Massachusetts 40R** – Massachusetts encourages towns and cities to create Smart Growth Districts: zoning overlays that provide minimum densities as-of-right along with expedited review, in exchange for at least 20% affordability. Permits can only be denied for non-compliance with “bylaw” or design standards, to reduce developer risk and costs.
  - **City of Anaheim** – Anaheim allows multifamily housing “by-right” in three of its four multifamily residential zones. Uses permitted by-right do not require discretionary review and undergo only staff-level (ministerial) review by the Planning Division during the plan check process.

- **Tax abatements.**
  - **Portland** has a tax abatement program to provide incentives for affordable housing in certain locations. The program is being revised to better target opportunity-rich areas.

- **Impact fee waivers.**

3) **Concluding Thoughts**

- Local housing needs clearly vary by location. A sensible alternative to the siting policies above could be to identify priority housing needs on a neighborhood-by-neighborhood basis, and then prioritize funding for proposals that meet these local priorities. For example, in areas with older housing stock and predominantly lower incomes, the City might identify its top housing needs as rehabilitation and market-rate housing. For other areas with limited affordable homes, the priority might instead be new affordable rental or homeownership construction. The City could then give first priority for funding to applications that propose to meet the highest priority needs in each neighborhood. This neighborhood-by-neighborhood needs assessment could also identify local opportunities and barriers to inform more comprehensive policy tools for facilitating affordable housing in opportunity-rich areas.

- The City should regularly evaluate the performance of whichever dispersion policy it adopts. State and regional fair share policies (ex: Portland Metro, California, New Jersey, Massachusetts) could be adapted locally to help set benchmarks for this evaluation. For example, goals could be specific on income and tenure for each major sub-area of the city.

- HUD will be coming out with a new rule on Affirmatively Furthering Fair Housing (anticipated in the Spring of 2012). This new rule is expected to provide more guidance on the requirements that local communities have to develop housing in opportunity areas. Among other things, HUD will be providing data that might help inform this policy conversation. The City should consider using the data that becomes available and the new proposed rule as a framework for revisiting its siting policies.
A house is more than an investment, although in this country it is the most common form of creating personal wealth. And a home is more than just a place, even though in cities such as Dallas, three-quarters of the land is devoted to housing.

While Dallas is a relatively affordable city, its lack of affordable housing is the source of some of Dallas’ most pernicious problems. Many families are often a paycheck away from homelessness. As the major city in a large metropolitan area, Dallas bears the brunt of the entire region’s homeless problems.

Meanwhile, new styles and forms of housing fuel the resurgence of infill development in Dallas. The current infill project in Dallas is typically mixed use, with commercial, retail, office and residential space either in one building or in different buildings within the same district. People like living in these redeveloped areas because of the variety of services within walking distance. Mixed-use developments are desirable from a developer’s perspective because rents from commercial, retail and office tenants help offset the higher costs associated with infill projects.

The Housing Element looks toward the future of housing in Dallas while keeping an eye on current conditions. It examines housing needed in the city’s future and planned for as part of the forwardDallas! Vision. In addition, it uses the forwardDallas! Guiding Principles to develop policies addressing issues such as changing housing preferences, innovative products, affordability and ownership.
Goals and Policies of the Housing Element are organized into three classifications: supply, demand and affordability. Some issues, such as ownership, which is impacted by affordability and supply, are addressed under more than one classification.

GOAL 3.1 ENSURE A SUSTAINABLE AND EFFICIENT LONG-RANGE HOUSING SUPPLY

A long-range housing supply strategy must be established to ensure sustainable and efficient use of land and infrastructure. This would also promote a range of owner-occupied housing and densities while encouraging redevelopment and infill housing.

The forwardDallas! Vision strives to create the kind of livable community that will attract its share of regional growth. A goal of the forwardDallas! Vision is to add about 220,000 households between the year 2000 and the year 2030. Like other large cities, Dallas will not attract every type of household equally, but will attract more of specific kinds, such as single-person households, those at the high and low end of the income scale and households headed by a foreign-born adult. Dallas will attract proportionately fewer families with children. The City must understand its target market and not try to design itself as a large suburb. Rather it should capitalize on its strengths in the housing market.

Before 2030, Dallas is expected to have utilized all of its developable vacant land. When this happens, Dallas will add few of what has been the dominant segment of the owner-occupied housing market, the single-family home. Dallas needs to develop its skills at encouraging alternative homeownership products that fit the small site, infill and urban redevelopment markets that make up its future. Although this goal represents a change for Dallas, it will not be achieved at the expense of existing residential neighborhoods.

Policy 3.1.1 Monitor housing growth targets.

By establishing, maintaining and periodically updating housing growth targets, the City can guide planning and implementation activity across its departments and other agencies that will play a role in housing development.

IMPLEMENTATION MEASURES

3.1.1.1 Update the Consolidated Plan to be consistent with the
forwardDallas! housing forecast. By linking these two initiatives, the City’s target mix of housing types and homeownership growth can be more easily attainable.

3.1.1.2 Coordinate with the Dallas Housing Authority to develop future housing targets, particularly with regard to the mix of housing types.

3.1.1.3 Supplement the initiatives from the Mayor’s Task Force on Affordable Workforce Housing with ones focused on more urban owner-occupied housing products.

3.1.1.4 Monitor housing development activity, developable land supply, residential zoning capacity and owner-occupancy rates to inform progress toward housing targets and to enable mid-course adjustments.

**Policy 3.1.2 Encourage alternatives to single-family housing developments for homeownership.**

It’s important to encourage residential developments that provide for homeownership while focusing on projects other than traditional single-family homes. New developments should be encouraged to include smaller lot single-family homes, attached single-family townhouses, and condominiums designed for owner-occupancy, with attention to quality and appropriate location. The objective is to achieve the following citywide targets for adding a variety of owner-occupied housing types between the Years 2000 and 2030:

- 34,000 homes on average lot sizes larger than 5,000 square feet
- 23,000 homes on average lot sizes of 5,000 square feet or less
- 55,000 fee simple single-family attached (townhouse) homes
- 31,000 condominium units

**IMPLEMENTATION MEASURES**

3.1.2.1 Amend the zoning and plat regulations to establish consistent and transparent regulations that provide for a range of residential densities to suit a variety of urban contexts, with provisions to encourage owner-occupancy and affordability.

3.1.2.2 Amend the Dallas Development Code to address barriers to fee simple townhouse developments in plat regulations.
Table II-3.1 ForwardDallas! Vision Housing Capacity by Housing Type

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<th>Apt</th>
<th>Condo</th>
<th>Townhouse</th>
<th>SFR Small</th>
<th>SFR Med</th>
<th>SFR Large</th>
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Note: This table projects potential future demand for housing in the City of Dallas through the Year 2030, broken down by affordability. The numbers were calculated based on the forwardDallas! household growth forecast and on the assumption that the City of Dallas achieves a similar household income breakdown as projected for Dallas County by the Texas state demographer.
Map II-3.1  1999 Median Household Income by Census Tract
3.1.2.3 Use the Monitoring Program to encourage appropriate zoning to align the supply of alternative forms of housing that is owner-occupied with the forwardDallas! housing targets.

3.1.2.4 Accept voluntary commitments from developers to include mandatory provisions that promote owner-occupancy such as deed restrictions and condominium associations.

3.1.2.5 Develop a program to promote and provide initial training to encourage cooperative housing ownership as a way to encourage ownership in new and existing multifamily developments where condominium ownership is not feasible.

3.1.2.6 Expand existing housing development and homeownership programs to support a variety of owner-occupied housing. These programs could include:

- Infrastructure bond program to subsidize public infrastructure for mixed-income developments in exchange for additional amenities;
- Tax-exempt mortgage revenue bond financing programs to support housing rehab or new development, as well as mortgage and down payment assistance to participating lenders;
- Mortgage Assistance Program for forgivable loans to first-time homebuyers; and
- Homebuyer/homeownership counseling.

**Policy 3.1.3 Encourage stabilization of existing neighborhoods.**

Encouraging owner-occupied redevelopment and infill housing and conversion of existing rental units to owner-occupied housing will help stabilize existing neighborhoods in Dallas.

**IMPLEMENTATION MEASURES**

3.1.3.1 Amend the Dallas Development Code to provide new market-tested mixed-use zones, urban parking standards and urban design standards for walkability in order to make redevelopment and infill housing and mixed-use projects more desirable and financially viable. Establish Area Plans in priority implementation areas to apply these new tools where appropriate.

3.1.3.2 Continue targeting neighborhoods for infill and redevelopment through the Neighborhood Investment Program.
Program (NIP). Include an emphasis on promoting a variety of owner-occupied housing products.

3.1.3.3 Continue to partner with nonprofit development groups through the Community Housing Development Organizations (CHDO) program to encourage infill housing on vacant lots in existing neighborhoods, through assistance with acquisition, pre-development, development and homebuyer subsidies.

3.1.3.4 Continue the Urban Land Bank Demonstration Program and the Land Transfer Program and encourage these to support other forms of affordable owner-occupied housing in addition to detached single-family units.

3.1.3.5 Continue the Residential Development Acquisition Loan Program to support a variety of affordable urban housing development projects.

3.1.3.6 Implement programs to encourage affordable homeownership and owner occupancy in areas with high concentrations of rental single-family housing. Continue and expand programs focused on housing rehabilitation.

GOAL 3.2 ANSWER THE NEED FOR HOUSING OPTIONS

It is important for future residents that Dallas’ strengths be leveraged to meet the housing needs of the city’s growing and changing population. This will require promoting an array of housing opportunities in strategic geographic areas.

According to state demographers, Hispanics will account for the lion’s share of population growth in Dallas County by 2030. Blacks and other ethnic minorities will account for the remaining population growth, and a net loss of Anglo residents is expected.
Targeted efforts to increase homeownership opportunities for Blacks and Hispanics will be critical to establishing a higher percentage of homeowners in the city.

Furthermore, Dallas County’s population is expected to age noticeably. Forecasts for Dallas County indicate that the population age 65 and older will grow by more than 290,000. Dallas will certainly attract a significant portion of this growth, especially as citizens choose to age “in place,” or remain in the community they already know well. This aging population will require its own need for independent and assisted living housing.

Dallas attracts newcomers from other areas of the nation and from around the world and will continue to do so. Trends indicate that Dallas loses many of these newer residents to other parts of the region once they are ready to buy their first or second home. Because of its central location with easy access to jobs, Dallas has an untapped advantage to retain more homeowners by promoting new housing development opportunities in strategic areas.

Policy 3.2.1 Attract more middle and higher-income households to the Southern Sector. Build upon the existing stable foundation of middle-class housing stock in the Southern Sector by attracting additional such development. The natural topography of the Southern Sector is the most beautiful in the city and therefore provides a highly desirable location for such development.

IMPLEMENTATION MEASURES

3.2.1.1 Conduct Area Plans in priority implementation areas such as the Trinity River Corridor and the UNT campus area, focusing on opportunities to change zoning and provide infrastructure to encourage residential and mixed-use development.

3.2.1.2 Work with DISD and other school districts to establish schools as an anchor and source of pride for neighborhoods.

3.2.1.3 Develop marketing strategies to promote emerging housing opportunities in the Southern Sector, in areas along the Trinity River Corridor, the UNT campus, Mountain Creek and Pinnacle Park.

3.2.1.4 Work with existing and emerging area employers to identify housing needs.

3.2.1.5 Work with providers to develop sufficient retirement housing options to allow the elderly population to age in place within...
the Southern Sector.

3.2.1.6 Establish design standards that promote a variety of quality housing.

3.2.1.7 Ensure high-quality public amenities are available to serve neighborhood needs and enhance livability.

3.2.1.8 Ensure that the majority of the vacant residential land in the Southern sector is developed with single-family homes, and that the Southern Sector does not receive more than its proportional share of the multi-family and condominium units projected by the forwardDallas! Comprehensive Plan.

3.2.1.9 Establish a Workgroup, representing a broad group of Southern Sector representatives and those from other relevant groups (such as those cited above) to work on the implementation of Policy 3.2.1.

**Policy 3.2.2 Encourage higher density housing within a quarter-mile of DART stations.**

**IMPLEMENTATION MEASURES**

3.2.2.1 Amend the Dallas Development Code to establish market-tested mixed-use zoning districts, urban design standards for walkability and urban parking standards to encourage transit oriented development around DART stations.

Conduct Area Plans to apply these zoning tools in priority implementation areas.

3.2.2.2 Use economic development incentives, such as tax increment financing (TIF), to encourage mixed-use developments and mixed income housing developments near DART stations.

3.2.2.3 Work with Fannie Mae, DART and other agencies to promote location-efficient mortgages or smart mortgages to increase housing affordability near DART stations.

3.2.2.4 Encourage independent living retirement housing as a viable opportunity for housing within close proximity of DART stations.

**Policy 3.2.3 Leverage public and private sector investments.**

It is important that Dallas leverage housing investments with economic development, transportation and other infrastructure
investments, making sure these improvements serve residents in their primary function, but also support other goals of the City.

**IMPLEMENTATION MEASURES**

3.2.3.1 Coordinate efforts between City departments and agencies to foster efficient allocation of public resources to targeted neighborhoods.

3.2.3.2 Continue the Neighborhood Investment Program (NIP) to supplement housing infill and redevelopment programs with infrastructure investments.

3.2.3.3 Conduct Area Plans in priority implementation areas to identify, coordinate and implement infrastructure improvements to support desired housing.

**GOAL 3.3 EXPAND AFFORDABLE HOUSING ALTERNATIVES**

By promoting a balanced geographic distribution of all types and styles of affordable housing, the City will support the Vision of an economically and environmentally sustainable community and region.

One of the greatest challenges facing most Americans today is the cost of housing. Increasingly, people of moderate and low incomes are forced to pay more than 30 percent of their incomes toward living expenses. At the same time, home prices are rising faster than incomes. Dallas is fortunate to still have relatively low housing costs, however, Dallasites also earn less than the average American. And as Dallas grows and as land becomes scarcer, the cost of housing will inevitably rise. As housing costs rise, so do property taxes and associated costs of homeownership.

Creating opportunities for affordable housing throughout the entire region is a necessary component of the forwardDallas! Vision. Dallas currently contains a disproportionate amount of rental housing compared to the region as a whole. Dallas must concentrate on providing more ownership housing while working toward a regional balance of affordable rental housing.

In addition, the City must also focus on attracting middle- and higher-income households to create a more mixed income environment throughout Dallas. The city lags behind the region and the nation in terms of ownership housing and income levels. Targeting specific groups such as non-traditional households, low- and moderate-income families, Blacks and Hispanics, will enable the City to develop housing programs that are more likely to
succeed.

Policy 3.3.1 Gear homeownership programs to meet projected affordable housing needs.

As the City focuses on the need for affordable housing, it should pay particular attention to the demographic groups that are under-represented in homeownership, and that are expected to drive future housing demands in Dallas.

IMPLEMENTATION MEASURES

3.3.1.1 Conduct studies to identify barriers to ownership for specific demographic groups and tailor affordable housing programs accordingly.

3.3.1.2 Coordinate the update of the City of Dallas Consolidated Plan with the forwardDallas! housing forecast.

3.3.1.3 Monitor the supply of affordable housing relative to the targets anticipated in forwardDallas!.

3.3.1.4 Implement programs to encourage ownership of affordable homes and owner occupancy in areas with high concentrations of rental single-family housing. Continue and expand existing programs focused on housing rehabilitation.

3.3.1.5 Modify existing affordable housing programs or design new ones that encourage ownership in homes other than detached single-family units.

3.3.1.6 Work with the Dallas Housing Authority to continue implementation of mortgage assistance programs as recommended by the Mayor’s Task Force on Affordable Workforce Housing.

Policy 3.3.2 Encourage distribution of affordable housing throughout the City and the region.

IMPLEMENTATION MEASURES

3.3.2.1 Work with the North Central Texas Council of Governments and other agencies to develop policies to allocate a fair share of affordable housing throughout the region.

3.3.2.2 Tie financial incentives such as tax increment financing or density bonuses to providing affordable housing in a mixed income environment.

3.3.2.3 Develop unit mix goals for new multifamily developments in targeted neighborhoods. Encourage homeownership in

New homeownership opportunities in Dallas will provide a mix of housing types from luxury condos (top) to affordable units for first-time homebuyers.
less affluent areas where renting is common and promote a broader mix of housing in all neighborhoods.

3.3.2.4 Coordinate with Dallas Housing Authority (DHA) to periodically determine the location of housing needs for low- and moderate-income citizens. Continue to work with DHA to address recommendations of the Mayor’s Task Force on Affordable Workforce Housing, specifically zoning policy barriers to affordable housing, and to facilitate land assembly and land banking.

3.3.2.5 Use existing federal, state and local government programs as well as private partnerships to identify and meet the housing needs of low- and moderate-income citizens.

3.3.2.6 Continue with and expand on available infill and redevelopment housing programs to facilitate a range of types of affordable housing throughout the city.

Policy 3.3.3 Obtain support to develop affordable housing.

Many community-based organizations can be tapped to help ensure that affordable housing is developed throughout Dallas.

IMPLEMENTATION MEASURES

3.3.3.1 Continue to partner with community-based organizations through the Community Housing Development Organizations (CHDO) program to assist with acquisition, pre-development, development and homebuyer subsidies. Facilitate access to technical and capacity building programs.

3.3.3.2 Encourage the use of Community Land Trusts (CLT) to develop affordable housing.

3.3.3.3 Develop relationships with national Low Income Housing Tax Credit syndicates and foster relationships for local Community Development Corporations and Community Land Trusts.

3.3.3.4 Seek private investors to partner with Community Development Corporations to develop affordable housing.

3.3.3.5 Encourage the rehabilitation of existing historic buildings for affordable housing. Large concentrations of historic resources exist that could be reused creatively to provide affordable housing.
Purpose Statement

The purpose of the Scattered Site Policy is to guide the distribution and location of assisted rental housing in the City of Raleigh. This policy is aimed at the following objectives.

1. To promote greater rental housing choice and opportunities for low income households;
2. To avoid undue concentrations of assisted rental housing in minority and low-income neighborhoods; and
3. To further community revitalization efforts by encouraging the rehabilitation of older housing.

Definition of Terms

Definition of Low Income: Individual or family making 60% or less of the Wake County MSA median income, adjusted for family size.\(^1\)

Definition of Moderate Income: Individual or family making between 61% and 80% of the Wake County MSA median income.

Definition of Assisted Housing: Assisted housing is defined as any housing development receiving any public financial assistance, including federal, state, city and county financing. Examples are HOME funded developments, HOPE VI, or projects developed with federal or state low income housing tax credits and tax exempt bond funded projects without tax credits.

The Policy recommends distribution of assisted rental units based on geographical priority using the following criteria.

1. First Priority Areas: Includes areas which are continuing to experience growth in population and housing units, provides proximity to retail and office development, and have relatively low percentages of minority populations and low-income residents.

The following Census Tracts are First Priority Areas:

\(^1\) For example, in 2005 the income levels for families/individuals at or below 60% of median income are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Median income: $69,800</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 person</td>
<td>$29,940</td>
</tr>
<tr>
<td>2 person</td>
<td>$34,200,</td>
</tr>
<tr>
<td>3 person</td>
<td>$38,520</td>
</tr>
<tr>
<td>4 person</td>
<td>$42,780</td>
</tr>
<tr>
<td>5 person</td>
<td>$46,200</td>
</tr>
<tr>
<td>6 person</td>
<td>$49,620</td>
</tr>
</tbody>
</table>
Census Tracks: 536, 537.03, 537.09, 537.10, 537.11, 537.12, 537.13, 537.14, 525.03, 525.04, 524.01, 524.04, 514, 515.01, 515.02, 516, 517, 526.01, 526.02, 537.15, 537.07, 537.06, 538.02, 540.07, 540.03, 542.01, 542.02, 530.02

2. **Second Priority Areas:** Includes those areas which meet some of the criteria as First Priority areas but are considered to be racially mixed. These tracts are not predominantly low-income. Racially mixed areas are census tracts that have a minority population level more than 23% and less than 60%. Assisted housing developments in areas that are racially mixed will be limited.

The following census tracks are Second Priority Areas:
Census Tracts: 501, 503, 504, 505, 510, 512, 518, 522.01, 522.02, 523.01, 523.02, 524.02, 524.05, 525.01, 526.03, 527.01, 527.03, 527.05, 528.02, 528.03, 528.04, 535.01, 535.10, 537.16, 540.01, 540.04, 540.06, 540.09, 540.10, 541.02, 541.04, 541.05, 541.06

3. **Special Objective Areas (Third Priority Areas):** Are redevelopment areas and special objectives areas where the goals are the revitalization of older neighborhoods and to provide replacement housing to community residents. Projects located in Third Priority Areas must be done in conformance with the goals and objectives of redevelopment plans adopted for the area. Redevelopment Areas are: Thompson-Hunter, Stages I and II, Downtown East, College Park, Garner Road, South Park, New-Bern Edenton and Jamaica Drive. Special Objective Areas are older public housing demolition and redevelopment projects funded with HOPE VI and other funds for the improvement and deconcentration of public housing developments. Upon adoption of any new redevelopment plan or Special Objective Areas, these areas will become Third Priority Areas and incorporated into the Scattered-Site Policy.

4. **Fourth Priority Areas:** Are census tract areas that minority concentrated and low-income. Minority concentrated areas are those census tracts that, according to the latest Census information available, have concentrations of minority population greater than 60%. Low-income areas are those census tracts that have more than a 50% concentration of population earning less than 60% of median income based on most recent Census information available. Assisted housing developments in these areas are not permitted.

The following census tracts are minority concentrated and low-income and will be Priority IV areas.

**Census Tracts:** 506, 507, 508, 509, 511, 519, 520.01, 520.02; 521.01, 527.04, 540.08

**Applicability of Policy**

This policy shall apply to all assisted housing projects within the city limits of Raleigh, or in the extraterritorial jurisdiction when the proposed housing development will use City utilities and/or be annexed.
Size Limitation for New Construction Projects

Assisted family developments will be limited to 50 units per site in all Priority areas. An exception will be made in Priority I and II areas for developments of up to 80 units per site where there is a full time on-site manager.

Elderly Projects

Elderly projects will be exempt from the unit size and scattered site location criteria. Elderly housing will be defined as housing if a dwelling is specifically designed for and occupied by elderly persons under a Federal, State or local government program or it is occupied solely by persons who are 62 or older or it houses at least one person who is 55 or older in at least 80% of the occupied units, and adheres to a policy that demonstrates intent to house persons who are 55 or older.

Assisted Housing Proposals in Priority III Redevelopment Areas and Special Objective Areas

Assisted Housing Proposals in Priority III areas have been exempted from the scattered-site policy and the housing evaluation criteria. Any proposal for new construction must be done in conformance with the approved redevelopment plans for the area.

Size Limitation for Rehabilitation Projects

Assisted housing projects rehabilitated with moderate or substantial rehabilitation funds from federal, state or local funds will be limited to 100 units per site. It is intended that this size limitation will not apply to the following rehabilitation projects:

A. Projects exclusively serving elderly and/or disabled households.
B. Existing projects which are publicly owned or managed or are assisted by other public subsidies.
C. Projects located in redevelopment areas where the goal is to preserve and upgrade older, inner-city communities.
D. Rehabilitation of units in projects in Priority I and II areas if a full time manager is employed on site

Assisted Housing Ranking Criteria:

The following criteria will be used to evaluate assisted housing proposals. If there are competing proposals, then the projects will be ranked and compared. If there are not competing proposals, then the sole proposal will be ranked. In either case the following rankings will be used. (1) Most desirable; (2) Acceptable; and (3) Unacceptable. Criteria to rank proposals will include the following:

1. Location of Existing Assisted Units: Score

   Federally assisted Housing projects (exclusive of redevelopment areas)
Within ½ mile of another project (1)
No projects within ½ mile radius (3)
No projects within ¾ mile radius (5)

2. Transportation

No transportation services (CAT bus, CAT connector) or other transit line within one-mile radius (1)
Transportation services within ½ mile (3)
Transportation services within three walking blocks to site (5)

3. Priority Areas:

Location in Priority II Areas (3)
Location in Priority I Areas (5)

4. Zoning:

Proposed site will necessitate rezoning for developing project (3)
Site is appropriately zoned for intended use (5)

5. Management

Project proposal makes no plans for on-site management (1)
Part-time manager on site less than 2 days per week (3)
On-site manager minimum of 5 days per week (5)

6. Project Design and Appearance

Proposal lacks architectural appeal and landscaping (1)
Proposal incorporates some architectural appeal and landscaping but proposed units are not comparable to size and quality of market rate units in the community (3)

The building design and use are compatible with the surrounding community and incorporates a high degree of architectural appeal and landscaping. The proposal is of comparable size and quality of market rate units. (5)

A score of 25-30 or more points would make a proposal MOST DESIRABLE. Proposals receiving less than 25 points would receive an ACCEPTABLE ranking; except that proposals receiving three (1) rankings would be undesirable and would not be approved by the City.

Adopted: May 3, 2005
RECOMMENDATION

It is recommended that the Committee hear a presentation and provide feedback to City staff regarding its review and evaluation of the City’s current dispersion policy.

OUTCOME

With feedback from the Community and Economic Development Committee (CEDC), staff can proceed in evaluating whether to update the City’s current dispersion policy in order to align with the City’s future development strategies, including the updating of its General Plan.

BACKGROUND

In 1989, shortly after the formation of the Housing Department, the City Council approved “San Jose: A Commitment to Housing,” the Final Report of the Mayor’s Task Force on Housing. One of the policy statements adopted as a part of that approval was the “Dispersion Policy.”

Specifically, the policy applies to affordable housing financed by the City and encourages the City Council and the Administration to try and develop these units, to the extent feasible, throughout San Jose, with no area being arbitrarily precluded from development. (See Attachment A, which is the Dispersion Policy Resolution No. 67604). The policy only applies to housing affordable to households considered Low-Income, Very-Low Income, and Extremely-Low Income. To provide context, this range could include a family of four making between zero and $85,000 per year.

Additionally, the policy directs that “on a case-by-case basis, the Council must consider: the proposed project’s proximity to other City-financed affordable housing developments; the project’s relationship to Council-adopted development plans and strategies; the project’s
contribution to neighborhood improvement or revitalization; and the existing income mix of the Census Tract it is to be located.”

The policy was amended in 1997 in order to clarify that certain census tracts and City Council districts in the City contained a disproportionate number of lower-income households and that proposed projects located in or adjacent to these “impacted” tracts be considered carefully.

Lastly, the policy requires that the performance of these goals should be reviewed periodically and reported in the City’s Five-Year Housing Investment Plan. In accordance with the policy the Housing Department reports annually regarding the dispersion of City-financed affordable housing in the Council-adopted Consolidated Plan-Annual Action Plan updates and in its 2007 – 2012 Five-Year Housing Investment Plan.

**Tracking and Reporting Related to the Dispersion Policy**

The Housing Department tracks new affordable housing by “impacted” and adjacent census tracks. The data used is based on 2000 US Census data (2000 Census data is used because it is the only data available tracking household income and size by Census Tract). Impacted census tracts are defined as those census tracts in which over 50% of households are low-income (making up to $49,560 for a family of four).

According to US Census data, there are 22 tracts in San Jose identified as impacted or adjacent to impacted areas. These tracts were located in Council Districts 3 (13 tracts), 7 (four tracts), 5 (two tracts), 6 (two tracts) and 2 (one tract). Between 1988 and 2009, 22% of newly constructed low-income affordable units were located in these impacted areas. The remaining 78% were built outside of impacted Census tracts. Most of the lower-income new construction was geared to families (56%) and seniors (29%), with the remainder (15%) being special needs or single-room occupancy developments.

**Five-Year Housing Investment Plan**

In June 2007, the City Council adopted a Five-Year Housing Investment Plan (2007-2012), which reported on the City’s affordable housing policies, production and financing goals. This Plan was developed with feedback from with a 20-member stakeholder group and not only reported on performance related to policies like dispersion, but also made recommendations on policy changes needed to continue and promote affordable housing activity in the City. One of the recommendations made in the Five-Year Housing Investment Plan was for the Department to evaluate the effectiveness of the dispersion policy and consider its relevancy given the General Plan and Housing Element updates. Furthermore, the report suggested researching “…the issue of social integration to determine whether there is a benefit to mixed-income projects compared with stand-alone affordable housing developments dispersed among market-rate projects.”
ANALYSIS

In order to review the dispersion policy, the Housing Department will present a PowerPoint presentation that outlines not only where affordable and market rate developments have historically been built, but also where the City is likely to direct future development. Staff’s presentation seeks to inform the Committee about how and why growth has occurred in some areas of the City and how this development may conflict in future years with the City’s dispersion policy.

Further review and evaluation is needed in order to complete the review of the dispersion policy; it is anticipated that this review will take several more months. Given the City’s desire to grow and develop in accordance with the General Plan update that is currently underway, there are still many critical questions that need to be further developed and explored in the process of evaluating a revised dispersion policy. Some of these considerations may include:

- The dispersion policy is tracked based on whether census tracts are low-income. However, this means that we are trying to disperse families making up to $85,000 (for a family of four). Is this the intent of the dispersion policy?
- In accordance with the Five-Year Housing Investment Plan, should the City be considering a policy that looks at more integrated housing, instead of dispersion?
- Over the next several decades, does the dispersion policy make sense given the City’s development and growth objectives?
- Should the issue of dispersion be considered concurrently with the General Plan Update? Would it make sense to ensure that any policy align with the objectives of the General Plan and Housing Element?

For questions please contact Leslye Krutko, Director of Housing at (408) 535-3851

Attachment (1)
RESOLUTION NO. 6250

A RESOLUTION OF THE COUNCIL OF THE CITY
OF SAN JOSE APPROVING A REVISED
DISPERSION POLICY FOR AFFORDABLE
HOUSING

WHEREAS, in 1989 the City Council approved the Mayor’s Task Force Report on
Housing which included a dispersion policy for financing of affordable housing in the City; and

WHEREAS, the staff is recommending that the City Council revise the City dispersion
policy to promote affordable housing throughout the City and reflect the current available
data regarding areas of disproportionate number of lower-income households.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of San Jose that
the revised dispersion policy set forth in Exhibit A attached hereto is approved.

ADOPTED this 26th day of August, 1997, by the following vote:

AYES: DANDO, DIAZ, DIQUISTO, FERNANDES, FISCALINI, JOHNSON,
PANDORI, POWERS, SHIRAKAWA, WOOD, HAMMER

NOES: NONE

ABSENT: NONE

ATTEST:

PATRICIA L. O’HEARN, City Clerk

SUSAN HAMMER, Mayor

PATRICIA L. O’HEARN, City Clerk
City-financed affordable housing projects contribute to any existing neighborhood in which they are located due to the quality of their design and construction, the attributes and amenities required by the City, the strong on-site management, and the infusion of new investment into the community. City-financed affordable housing is often more attractive than the market rate housing, and has the effect of raising or stabilizing property values. Because of the benefit City-financed affordable housing has on the community, it should be encouraged throughout the City.

The Dispersion Policy applies to newly-constructed City-financed housing that is affordable to very low- and low-income units. It does not apply to moderate-income developments or projects involving rehabilitation or the acquisition and rehabilitation of existing buildings. Nor does it apply to housing projects not financed by the City.

In some locations, City-financed housing developments provide lower-income households with a broader housing choice and increases the heterogeneity of the population. In other areas, City-financed developments contribute to maintaining the existing socio-economic stratification. The Council's approval of City-financed affordable development shall be made in the context of the goal to balance and promote economic integration. The Council's decision to finance any given housing project must take into consideration other City policies and strategies. On a case-by-case basis, the Council must consider: the proposed project's proximity to other City-financed affordable housing developments; the project's relationship to Council-adopted development plans and strategies; the project's contribution to neighborhood improvement or revitalization; and the existing income mix of the Census Tract in which it is to be located.

No area of the City should be arbitrarily precluded from consideration as a site for affordable housing. However, the City recognizes that certain Census Tracts contain a disproportionate number of lower-income households, especially in Districts 3 and 5, which already have a high percentage (more than 50%) of households with low- and very low-incomes. Projects proposed to be located in any Census Tracts adjacent to these "Impacted" Tracts should be considered carefully in the same way that projects within the "Impacted" Tracts are reviewed.

The performance of the City's affordable housing programs should be reviewed on a periodic basis to ensure the equitable distribution of affordable housing throughout the City. The policy will be reviewed on a five-year cycle consistent with the Five-Year Housing Investment Plan and the General Plan.
Housing Locational Policy
Approved by City Council on March 28, 2011

Housing Locational Policy:

I. Policy Background

The Housing Locational Policy provides a guide for the location of new, rehabilitated or converted subsidized* multi-family housing developments designed to serve households earning 60% or less of the Area Median Income** (AMI). The Housing Locational Policy utilizes data from the Quality of Life (QOL) Study, a comprehensive analysis of each Neighborhood Statistical Area (NSA) within the City of Charlotte, to determine the permissibility of the proposed location of new, rehabilitated or converted subsidized multi-family housing developments. Each NSA is characterized as either: Stable, Transitioning or Challenged.

The objectives of the policy are to:
- Geographically disperse subsidized multi-family housing developments
- Support the City’s neighborhood revitalization efforts and other public development initiatives
- Promote diversity and vitality of neighborhoods
- Avoid undue concentration of subsidized multi-family housing developments

* Subsidies include Charlotte Housing Authority Section 8, NC Low-Income Tax Credit, Housing Trust Fund and Hope VI funding.
** The AMI is established by the U. S. Department of Housing and Urban Development and is adjusted for household size.

II. Policy Description

A. General Applicability

This policy applies to new, rehabilitated or converted subsidized multi-family housing developments.

B. Policy Exemptions

New, rehabilitated or converted subsidized multi-family housing developments serving elderly or disabled populations are exempt from the requirements of this policy.
C. Permissible Areas

New Subsidized Multi-Family Housing Developments

- In Stable NSAs
  - An unlimited number of subsidized multi-family housing units may be included in any one development.
  - The NSA shall have no more than 15% subsidized housing units, including the subsidized units in the proposed new development, as a percentage of total housing units.
  - The NSA shall have no more than 5% subsidized housing units serving 0% to 30% of AMI, including the subsidized units in the proposed new development, as a percentage of total housing units.
  - The proposed development may be within ½ mile (property line to property line) of an existing, non-exempt multi-family housing development, which includes greater than 24 subsidized units, in the same or in an adjacent Stable NSA.

- In Non-Residential areas as defined by the most recent QOL Study
  - The proposed development may be within ½ mile (property line to property line) of an existing, non-exempt multi-family housing development, which includes greater than 24 subsidized units, in an adjacent Stable NSA.

Conversions

- In Stable NSAs
  - Any number of non-subsidized units in any one multi-family housing development may be converted to subsidized units.
  - The NSA shall have no more than 15% subsidized housing units, including the proposed converted units, as a percentage of total housing units.
  - The NSA shall have no more than 5% subsidized housing serving 0% to 30% of AMI, including the proposed converted units, as a percentage of total housing units.

- In Challenged and Transitioning NSAs
  - Up to 50% of the non-subsidized units in any one multi-family development may be converted to subsidized units.
  - The NSA shall have no more than 15% subsidized housing units, including the proposed converted units, as a percentage of total housing units.
  - The NSA shall have no more than 5% subsidized housing serving 0% to 30% of AMI, including the proposed converted units, as a percentage of total housing units.
Rehabilitations
- In any NSA provided no addition to the current total subsidized unit count occurs

D. Non-Permissible Areas

New Subsidized Multi-Family Housing Developments
- In Challenged or Transitioning NSAs
- In Stable NSAs
  - If the NSA has more than 15% subsidized housing units, including the subsidized units in the proposed new development, as a percentage of total housing units.
  - If the NSA has more than 5% subsidized housing units serving 0% to 30% of AMI, including the subsidized units in the proposed new development, as a percentage of total housing units.
  - If the proposed development is within 1/2 mile (property line to property line) of any existing non-exempt multi-family housing development, which includes greater than 24 subsidized units, in an adjacent Challenged or Transitioning NSA.
- In Non-Residential areas as defined by the most recent QOL Study
  - If the proposed development is within ½ mile (property line to property line) of an existing, non-exempt housing development, which includes greater than 24 subsidized units, in an adjacent Challenged or Transitioning NSA.

Conversions
- In Stable NSAs
  - If the NSA has more than 15% subsidized housing units, including the proposed converted units, as a percentage of total housing units.
  - If the NSA has more than 5% subsidized housing serving 0% to 30% of AMI, including the proposed converted units, as a percentage of total housing units.
- In Challenged and Transitioning NSAs
  - If the NSA has more than 15% subsidized housing units, including the proposed converted units, as a percentage of total housing units.
  - If the NSA has more than 5% subsidized housing units serving 0% to 30% of AMI, including the proposed converted units, as a percentage of total housing units.
  - If more than 50% of the housing units, in any one multi-family development, will be converted.
E. Waiver Process

- City Council has the authority to grant waivers on a case-by-case basis
- The developer needing the waiver shall make the waiver request
- City staff will prepare information for City Council’s review
- Adjoining property owners, neighborhood organizations, and Council members will be notified four weeks prior to City Council’s review of the waiver request

F. Definitions

For purposes of this policy, the following definitions apply:

1. **Multi-Family Housing** – Housing developments consisting of greater than 24 residential units.

2. **Subsidized Multi-Family Housing** – Any existing or proposed multi-family housing development, consisting of greater than 24 residential units that receive local, state or federal financial assistance where the subsidized housing units are restricted to serve households earning 60% or less of the AMI.

3. **Disabled** – Having a physical or mental disability that substantially limits one or more major life activities, having a record of such impairment or being regarded as having such impairment.

4. **Elderly** – Housing occupied by one person who is 55 or older in at least 80 percent of the occupied units.

5. **Rehabilitations** – Existing subsidized multi-family housing developments undergoing physical improvements.

6. **Conversions** – Existing non-subsidized multi-family housing developments that are converted, in whole or in part, to include subsidized units serving households earning 60% or less of the AMI.

IV. Effective Date

Effective Date: **March 28, 2011**  
Amended Date: ____________________
Explanation of Median Income:

The chart included in the meeting materials included a listing of Median Household Income levels for Austin and the other spotlighted cities. This Median Household Income was drawn from the 2010 American Community Survey (ACS) 1-year data. As noted by Dr. Mueller during the conversation, Median Household Income is different than Median Family Income (MFI), which is based on a formula from the Housing and Urban Development Office (HUD) at the federal level. The Texas Department of Housing and Community Affairs (TDHCA) and the Neighborhood Housing and Community Development Office at the City (NHCD) generally use income limits based on HUD MFI when determining program eligibility. It was also pointed out that the MFI numbers used by HUD, TDHCA and the City are based on the Austin-Round Rock metropolitan statistical area (MSA), and not strictly by the City of Austin’s city limits. The chart included in the meeting materials referenced the median household income for the City of Austin only.

Also note that some other communities utilize the term “Area Median Income” (or AMI), or “Area Median Family Income” (AMFI) to refer to the HUD “Median Family Income.”

You can view the income limits that the City of Austin uses to determine program eligibility here: http://www.austintexas.gov/page/income-limits

Here is another helpful resource we’ve found in explaining affordability levels, area median income, and the definition of low-income: http://www.policylink.org/site/c.lkIXlbMNJrE/b.5137219/k.2B78/What_Is_It.htm

Affordability Definitions – Who is eligible for programs?

City of Austin:

Please see attached document for Austin’s income requirements for programs:

NHCD Program List-Eligibility.pdf

City of Raleigh:

Our scattered site City-owned rental housing (currently 187 units) is capped at 50% AMI.

Our rental production low-interest loan program (called “Joint Venture” program) is capped at 60% AMI, consistent with HOME and low income tax credits.

1 Please visit http://www.huduser.org/portal/datasets/il/il12/index_mfi.html for documentation on the HUD formula to calculate MFI.

2 Only two replies have been received as of May 1, 2012
Citywide second mortgage program ($20,000) is for buyers at 60 – 80% AMI. The OWNER (Ownership within Neighborhoods Experiencing Revitalization) program (up to $30,000), which is available for housing within the low-income Census tracts (which includes all of our redevelopment areas and the conservation districts- or the older central area around our downtown) is for buyers (not necessarily first-time buyers) up to 65% AMI and it is zero-interest. Housing sale prices are capped at $170,000 for using our second mortgage programs.

Everything else (rehab loans, nonprofit grants) is the basic “up to 80% AMI.”

City of Dallas:

Homerepair and mortgage assistance up to 80% AMFI
Bond funding for single family development up to 140% AMFI
Neighborhood Stabilization Program up to 120% AMFI
Land Bank up to 115% AMFI
Transfer of Surplus Property for affordable single family housing up to 140% AMFI

In summary, non-federal development programs focus on work force housing for up to 140% AMFI
Entitlement programs under the Consolidated Plan focus on low/moderate income up to 80% AMFI
Community Conversations
Affordable Housing Across Austin
Tuesday, April 24, 9 am
AGENDA

Community Conversations
Affordable Housing Across Austin - Take 2
Monday, May 7, 5:30 pm
Neighborhood Housing and Community Development Office
1000 E. 11th Street, Room 400A

Facilitation by Larry Schooler, Community Engagement Consultant
Corporate Public Information Office

**Objective of the meeting:** Evaluate affordable housing siting approaches and solicit feedback on what approaches are best for Austin.

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
<th>Location</th>
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</thead>
<tbody>
<tr>
<td>5:30 – 5:40 pm</td>
<td>Opening</td>
<td>Neighborhood Housing and Community Development Office</td>
</tr>
<tr>
<td>5:40 – 7:00 pm</td>
<td>Community Conversation</td>
<td>All, facilitated by Larry Schooler, Community Engagement Consultant</td>
</tr>
</tbody>
</table>

Thank you very much for your participation.
www.austintexas.gov/housing

The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request.
Appendix I-C: Action Plan Champion
Meeting Materials
The City of Austin would like to thank you for offering your valuable time to “Champion”/Host a meeting and providing the Neighborhood Housing and Community Development (NHCD) Office with your meeting feedback. We greatly appreciate your time.

Championing a meeting is another opportunity for Austin residents to provide their input on the Neighborhood Housing and Community Development’s (NHCD) initiatives: affordable housing, community development, job creation and public services.

Feedback generated from your meeting will be used in the development of the City’s FY 2012-13 Action Plan and will assist NHCD in determining which programs and services are priority. Though you are the host, we encourage you to be a participant. Please share your opinions as an equal member of the discussion and participate in the prioritization activity.

Over the next couple months, NHCD will provide a variety of opportunities for the public to voice their input on community needs. NHCD will host a series of community meeting focusing on key topics related to NHCD’s Investment Plan:

- Financial education and empowerment - March 30
- Healthy homes and home repair services - April 13
- Creating and preserving affordable housing across Austin - May 4th

Please let your meeting participants know about these conversations and please welcome them to join. More information about these community meetings will be advertised on NHCD’s web site: www.austintexas.gov in the near future.

Thank you again for taking the time to lead this important meeting. We will continue to look to you for input and advice as NHCD formulates the FY 2012-13 Action Plan. Please see next page for overview of your Champion Packet and instructions on how to facilitate your meeting.
Your **Champion Packet** should include:

1. **Champion Guide**
   This one pager provides you with step by step instructions on the information you will review during your meeting, how to administer the activity and how & where to submit the results from your meeting.

2. **Action Plan and Community Input Process**
   This document provides brief description of the annual Action Plan and how community’s participation plays an integral role in the development of this report.

3. **NHCD Investment Plan and Programs/Activities List**
   - FY 2011-12 Investment Plan: provides a snapshot of all programs and services that NHCD and the City’s Health and Human Services Department offers under 7 categories.
   - FY 2011-12 NHCD Programs/Activities: provides a detailed description of all programs/activities and median family income eligibility and funding sources.

5. **Prioritization Activity & Champion Meeting Summary**
   The Prioritization Activity provides a brief description of NHCD’s Investment Plan categories and offers a prioritization exercise.

   The Champion Meeting Summary is enclosed for the host to complete and include in the submission to NHCD.

Please mail or drop off in person, completed Prioritization Activity sheets and Champion Meeting Summary to:

NHCD  
Attn: FY 2012-13 Action Plan  
P.O. Box 1088  
Austin, TX 78767
City of Austin
Neighborhood Housing and Community Development (NHCD)
FY 2012-13 Action Plan and Community Needs Assessment

What is the Action Plan?
Every five years, the City of Austin’s Neighborhood Housing and Community Development Office (NHCD) develops a 5-Year Consolidated Plan (Con Plan) outlining the City’s plan to invest its resources to meet Austin’s ongoing affordable housing, community development, economic development, and public services needs.

When developing the FY 2009-14 Consolidated Plan, the City’s goal was to ensure a collaborative process by which the community, in partnership with the City, created a unified vision. With the feedback received, NHCD created the “Investment Plan”, a new framework that highlights programs and services offered by the City and made possible through federal and local funding. The Investment Plan provides a snapshot of programs and services administered by both NHCD and the Austin/Travis County Health and Human Services Department and groups them in seven priority categories. Investment Plan priority categories: Homeless/Special Needs, Renter Assistance, Homebuyer Assistance, Homeowner Assistance, Housing Developer Assistance, Commercial Revitalization, and Small Business Assistance.

NHCD’s annual Action Plan is a strategic plan that outlines the community’s needs, priorities, local and federal resources, and proposed activities for the upcoming year. The activities serve very-low, low- and moderate-income households. The annual Action Plan must show progress towards meeting the established goals in the 5-Year Consolidated Plan. In addition, NHCD submits a Consolidated Performance and Evaluation Report (CAPER) annually to HUD which provides an overall performance assessment based on the strategies identified in the annual Action Plan. The FY 2012-13 Action Plan serves as the City’s application to HUD for entitlement grant funding: Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA).

What is the Community Needs Assessment?
In order to receive the four entitlement grants, cities are required to develop a Citizen Participation Plan (CPP). The CPP describes efforts that will be undertaken to encourage citizens to participate in the development of its federal reports: 5-Year Con Plan, annual Action Plan, and the CAPER.

Austin’s CPP requires that NHCD conduct at least two public hearings during the Action Plan’s community needs assessment period. These public hearings provide an opportunity for the public to give input on community needs and priorities. Once a draft Action Plan is developed, the report is available to the public for a 30-day public comment period and during this time, two additional public hearings are held to receive input on the draft report.

In developing the City’s Action Plan, community feedback has always been instrumental in setting priorities for the use of funds. As the state capital, Austin continues to grow at a rapid pace for several reasons, its thriving private sector, its high “quality of life”, and its home as a thriving college is annually infused with students attending the University of Texas.

Since we’ve seen growth in population, we’ve also seen an increase in number of jobs; however, we have seen little growth in our region’s wages. In addition, there is an increasing income and education gap which has created and influx of poverty in Austin.

In addition to holding public hearings, NHCD will host community discussions that will focus on key topics relating to the Investment Plan ranging from home repair/rehabilitation to maintain Austin’s housing stock, to financial education & empowerment tools, to planning & developing affordable housing across Austin. For more information about these meetings and other fun ways to provide your feedback, visit www.austintexas.gov/housing.

The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request.
Champion Meeting Summary

Briefly describe if there were certain ideas or areas that your group felt strongly about, if so, please provide a summary of those concerns:

Did you feel that the information enclosed in your Champion meeting packet provided the necessary background information about NHCD’s programs and services to have a successful conversation and administer the prioritization activity?

Would you consider hosting another meeting for next year’s Action Plan process?

Please provide your feedback on how we can improve the Champion Meeting exercise:

Optional Information

Champion/Host Name: ________________________________________________________

Identify Meeting Group: (i.e. neighborhood association, professional group, church, PTA, or any other group) ________________________________________________________

Meeting Date: ________________________________________________________

Champion/Host email address: ________________________________________________________
## FY 2011-12 Investment Plan

<table>
<thead>
<tr>
<th>HOMELESS / SPECIAL NEEDS ASSISTANCE</th>
<th>RENTER ASSISTANCE</th>
<th>HOMEOWNER ASSISTANCE</th>
<th>HOUSING DEVELOPER ASSISTANCE</th>
<th>COMMERCIAL REVITALIZATION</th>
<th>SMALL BUSINESS ASSISTANCE</th>
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<td>$1,211,666</td>
<td>$5,467,970</td>
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<td>Housing Opportunities for Persons with AIDS</td>
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<td>Persons experiencing homelessness, persons with disabilities, vulnerable populations, and low-income households</td>
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<td>Persons with disabilities and low and moderate income households</td>
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<td>Developer Incentive-Based Programs</td>
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<td>Low and moderate income households, persons with disabilities, and Community Housing Development Organizations (CHDOS)</td>
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<td>Low and moderate income households, small businesses</td>
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<tr>
<td>Small businesses, job creation for low income households</td>
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Consolidated Plan Fiscal Years 2009-14
Fiscal Year 2011-12
Neighborhood Housing and Community Development
www.cityofaustin.org/housing
# City of Austin Neighborhood Housing and Community Development

## FY 2011-12 Action Plan Programs/Activities

### Homeless/Special Needs Assistance

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>Eligibility</th>
<th>Funding Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shelter Operation and Maintenance</td>
<td>Provides services to low- to moderate-income clients experiencing homelessness through the Overnight Shelter and Day Resources Programs.</td>
<td>&lt; 50% MFI</td>
<td>ESG</td>
</tr>
<tr>
<td>Homeless Essential Services</td>
<td>Provides intensive case management to persons experiencing homelessness living with HIV/AIDS who are not utilizing shelter services.</td>
<td>&lt; 50% MFI</td>
<td>ESG</td>
</tr>
<tr>
<td>Short-Term Rent, Mortgage, and Utility</td>
<td>Provides short-term housing assistance to prevent homelessness of renters and homeowners.</td>
<td>&lt; 30% MFI</td>
<td>HOPWA</td>
</tr>
<tr>
<td>Tenant-Based Rental Assistance</td>
<td>Provides rent, mortgage, and utility assistance for persons living with HIV/AIDS and their families.</td>
<td>&lt; 150% of</td>
<td>HOPWA</td>
</tr>
<tr>
<td>Permanent Housing Placement</td>
<td>Assists eligible clients establish permanent residence where ongoing occupancy is expected to continue. The program provides first month's rent, security deposit and utility connection fees for persons living with HIV/AIDS and their families.</td>
<td>&lt; 30% MFI</td>
<td>HOPWA</td>
</tr>
<tr>
<td>Short-Term Supportive Housing</td>
<td>Provides temporary shelter to eligible clients to address immediate housing needs. Clients receive case management services to assist them in securing other types of long-term, permanent, and stable housing.</td>
<td>&lt; 30% MFI</td>
<td>HOPWA</td>
</tr>
<tr>
<td>Transitional Housing</td>
<td>Provides facility-based and scattered-site housing with support services to persons living with HIV/AIDS.</td>
<td>&lt; 150% of</td>
<td>HOPWA</td>
</tr>
<tr>
<td>Supportive Services</td>
<td>Provides residential supportive services assisting persons living with HIV/AIDS to stabilize their living situation and address care needs.</td>
<td>&lt; 150% of</td>
<td>HOPWA</td>
</tr>
<tr>
<td>Child Care Services</td>
<td>Provides quality child care services for homeless and near-homeless families, families in crisis, and parents enrolled in self-sufficiency programs, for teen parents who are attending school, and through Early Head Start.</td>
<td>&lt; 200% of</td>
<td>CDBG, Sustainability Fund</td>
</tr>
<tr>
<td>Senior Services</td>
<td>Provides guardianship and bill payer services to help prevent and protect seniors from becoming victims of abuse, neglect or financial exploitation.</td>
<td>&lt; 200% of</td>
<td>CDBG, Sustainability Fund</td>
</tr>
<tr>
<td>Youth Services</td>
<td>Provides access to holistic, wraparound services and support to youth designated at-risk and their families. The program will focus on areas of basic needs, mental health services, educational support, and social enrichment.</td>
<td>&lt; 200% of</td>
<td>CDBG, Sustainability Fund</td>
</tr>
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</table>

### Renter Assistance

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<tr>
<th>Activity</th>
<th>Description</th>
<th>Eligibility</th>
<th>Funding Sources</th>
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</thead>
<tbody>
<tr>
<td>Tenant-Based Rental Assistance</td>
<td>Provides rental housing subsidies and security deposits to eligible families who may otherwise be homeless.</td>
<td>&lt; 50% MFI</td>
<td>HOME, Sustainability Fund</td>
</tr>
<tr>
<td>Architectural Barrier Removal - Rental</td>
<td>Modifies or retrofits the living quarters of eligible, low-income elderly and severely disabled renters to make their housing more accessible.</td>
<td>&lt; 80% MFI</td>
<td>GO Bonds</td>
</tr>
<tr>
<td>Tenant's Rights Assistance</td>
<td>Provides mediation, direct counseling, public education and addresses fair housing complaints for renters, resolving or minimizing discriminatory housing practices.</td>
<td>&lt; 80% MFI</td>
<td>CDBG and Sustainability Fund</td>
</tr>
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</table>

### Homebuyer Assistance

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<tr>
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<th>Description</th>
<th>Eligibility</th>
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</thead>
<tbody>
<tr>
<td>Housing Smarts - Housing Counseling</td>
<td>Provides pre-purchase, post-purchase, and one-on-one housing counseling in English and Spanish.</td>
<td>&lt; 80% MFI</td>
<td>Sustainability Fund and HTF</td>
</tr>
<tr>
<td>Down Payment Assistance</td>
<td>Provides deferred and forgivable, zero-interest loans to low- and moderate-income first-time homebuyers to assist with down payment and closing costs of their first home.</td>
<td>&lt; 80% MFI</td>
<td>HOME and HOME PI</td>
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### Homeowner Assistance

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<tr>
<th>Activity</th>
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<th>Funding Sources</th>
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</thead>
<tbody>
<tr>
<td>Architectural Barrier Removal - Owner</td>
<td>Modifies or retrofits the living quarters of eligible, low-income elderly and severely disabled homeowner to make their housing more accessible.</td>
<td>&lt; 80% MFI</td>
<td>CDBG</td>
</tr>
<tr>
<td>Emergency Home Repair</td>
<td>Makes repairs to alleviate life-threatening living conditions and health and safety hazards for low- and moderate-income homeowners.</td>
<td>&lt; 80% MFI</td>
<td>CDBG</td>
</tr>
<tr>
<td>Homeowner Rehabilitation Loan Program</td>
<td>Assists income-eligible homeowners with substantial repairs through deferred interest loans up to $75,000 and up to $29,999 may be forgivable after ten years.</td>
<td>&lt; 80% MFI</td>
<td>HOME, HOME PI, and CDBG-RL</td>
</tr>
<tr>
<td>GO Repair! Program</td>
<td>Addresses substandard housing conditions for low- and moderate-income homeowners. The program provides financial assistance to make repairs that will eliminate health and safety hazards and/or provide improved accessibility.</td>
<td>&lt; 80% MFI</td>
<td>GO Bonds</td>
</tr>
<tr>
<td>Holly Good Neighbor Program</td>
<td>Provides repairs and rehabilitation to homeowners residing near the Holly Power Plant. Austin Energy funds the program administered by the Austin Housing Finance Corporation.</td>
<td>&lt; 100% MFI</td>
<td>Austin Energy Fund</td>
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### Housing Developer Assistance

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<tr>
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<tr>
<td><strong>Rental Housing Development Assistance</strong></td>
<td>Provides opportunities to create and retain affordable rental units for low- and moderate-income households and low-income persons with special needs. Provides below-market-rate financing to for-profit and non-profit developers for acquisition, new construction, or rehabilitation of affordable rental housing.</td>
<td>&lt; 50% MFI</td>
<td>CDBG, HOME, HOME PI, HOME (CHDO), UNO, GF-CIP, GO Bonds, and HFF</td>
</tr>
<tr>
<td><strong>Acquisition and Development</strong></td>
<td>Works with lenders, for-profit and non-profit developers to leverage City and federal funds for: 1) acquisition and development of lots, 2) acquisition and rehabilitation of residential structures, 3) acquisition of new or existing housing units, and 4) the construction of new housing.</td>
<td>&lt; 80% MFI</td>
<td>CDBG, HOME, HOME (CHDO), GF-CIP, GO Bonds, HFF, and HAF</td>
</tr>
<tr>
<td><strong>CHDO Operating Expenses Grants</strong></td>
<td>Provides financial support to eligible, City-certified Community Housing Development Organizations (CHDOs) expected to begin housing production within 24 months.</td>
<td>N/A</td>
<td>HOME (CO)</td>
</tr>
<tr>
<td><strong>Developer Incentive Based Programs</strong></td>
<td>Provides incentives for housing developers to develop affordable rental and homebuyer housing in market rate developments. The program includes six developer incentives: S.M.A.R.T. Housing, Vertical Mixed Use Ordinance (VMU), Downtown Density Bonus, North Burnet/Gateway, University Neighborhood Overlay (UNO), and Transit Oriented Development (TODs).</td>
<td>N/A</td>
<td>Sustainability Fund</td>
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### Commercial Revitalization

**East 11th and 12th Streets Revitalization** contains activities that will lead to a sustained, improved, and culturally rich area.

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<tr>
<td><strong>Acquisition and Development</strong></td>
<td>The goal is to continue to maintain and dispose of several parcels of land acquired in previous years. Upon the transfer of property for development, job creation or retention for low- to moderate-income individuals are required as project performance goals. The City of Austin has commissioned a market study to provided a development strategy for the East 11th and 12th Street Corridors.</td>
<td>&lt; 80% MFI</td>
<td>CDBG, EDI III</td>
</tr>
<tr>
<td><strong>Historic Preservation</strong></td>
<td>The goal is to complete the historic renovation along the East 11th and 12th Streets that will lead to a sustained, improved, and culturally rich area.</td>
<td>&lt; 80% MFI</td>
<td>CDBG, Sustainability Fund</td>
</tr>
<tr>
<td><strong>Public Facilities</strong></td>
<td>The goal is to complete the rehabilitation of the Dedrick-Hamilton House to be utilized as the Visitor’s Bureau for the African-American Cultural and Heritage Facility that will serve as the anchor for the newly created African-American Cultural and Heritage District (the District).</td>
<td>&lt; 80% MFI</td>
<td>CDBG, Sustainability Fund</td>
</tr>
<tr>
<td><strong>Parking Facilities</strong></td>
<td>Provide funds to lease a community parking lot(s) and/or create a new parking facility in the revitalization area to support the economic development in the area, which will support the area’s economic development.</td>
<td>&lt; 80% MFI</td>
<td>CDBG, Sustainability Fund</td>
</tr>
</tbody>
</table>

### Small Business Assistance

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>Eligibility</th>
<th>Funding Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Community Development Bank</strong></td>
<td>Provides funds to a Community Development Financial Institution (CDFI) to administer loan programs offering flexible capital and technical assistance to small and minority businesses.</td>
<td>Jobs for &lt; 80% MFI</td>
<td>CDBG</td>
</tr>
<tr>
<td><strong>Microenterprise Technical Assistance</strong></td>
<td>Provides operational funds for the administration of training and technical assistance for qualified microenterprises.</td>
<td>&lt; 80% MFI</td>
<td>CDBG</td>
</tr>
<tr>
<td><strong>Neighborhood Commercial Management</strong></td>
<td>Provides gap financing to eligible borrowing businesses. These loans can be used for acquisition of land, improvements, various fixed costs, new construction, and leasehold improvements. Modifications to the NCMP guidelines to make the program responsive to market conditions will be implemented in FY 2011-12. NHCD will market to businesses within the East 11th and 12th Street redevelopment area.</td>
<td>N/A</td>
<td>CDBG-RL, Section 108</td>
</tr>
<tr>
<td><strong>Community, Preservation, and Revitalization</strong></td>
<td>Provides financial assistance to qualified small businesses within the CP&amp;R Zone. Modifications to the grant program guidelines will be implemented in FY 2011-12. NHCD will market to businesses within the East 11th and 12th Street redevelopment area with the intent to further revitalize efforts.</td>
<td>N/A</td>
<td>Sustainability Fund</td>
</tr>
</tbody>
</table>
Assisting homeless and special needs population
Provide housing, financial services and supportive services to persons experiencing homelessness or with special needs and considered Austin’s most vulnerable populations.

Assisting renters to improve living conditions
Provide tenant-based rental assistance, utility and security deposits; and home repairs to modify the rental units of low-income making homes more accessible.
Offer support services that educate renters and promote housing rights.

Helping residents buy and keep their home
Expand the resources available for low- to moderate-income renters wanting to become homeowners through down-payment assistance.
Provide homeownership, financial literacy, and foreclosure prevention counseling to low- and moderate-income households.

Providing home repairs and safety improvements
Assist low- and moderate-income homeowners with necessary home repairs to make their homes safe, habitable and accessible allowing owners to stay in their homes and improving the City’s aging housing stock.

Funding developers/partners to create affordable housing
Encourage development of affordable rental and homebuyer housing, including permanent supportive housing, for low- and moderate-income households through developer incentives.

Commercial redevelopment and revitalization
Provide funding and technical assistance to eligible organizations to improve the economic viability of neighborhoods and promote the creation of jobs.

Investing in local businesses and new jobs
Help small businesses grow and prosper through financing and technical assistance to improve the economic viability of neighborhoods and promote the creation and/or retention of jobs.

In one word or phrase, what is the most critical need facing your community?

Thank you very much for your participation.

www.austintexas.gov/housing
FY 2012-13 Action Plan Champions
Austin City Council Proclamations
Community Development Week & FY 2012-13 Action Plan Champions
Thursday, April 12, 2012
Appendix II: Maps
Geographic Distribution of Median Family Income and FY 2012-13 Proposed Projects, by Census Tract

% MFI
- 0% - 50%
- 51% - 80%
- 81% - 100%
- 101% - 120%
- 121% - 344%

FY12-13 Projects

Census Tract 8.04:
- No. Properties: 8
- Funding: NSP & HOME

Census Tract 8.02:
- No. Properties: 3
- Funding: NSP & HOME

Census Tract 8.01:
- No. Properties: 8
- Funding: NSP & HOME

Census Tract 8.02:
- No. Properties: 3
- Funding: NSP & HOME

Census Tract 11:
- No. Properties: 1
- Funding: ESG

Census Tract 18.12:
- No. Properties: 1
- Funding: NSP & HOME

Census Tract 21.09:
- No. Properties: 8
- Funding: NSP & HOME

Projects identified on this map represent planned City of Austin investment in specific geographic areas in FY 2012-13. All other projects will be designated through application processes in FY 2012-13.

Author: City of Austin, NHCD
Source: U.S. Census Bureau, ACS 2010 (5-Year Estimates)
This map has been produced by the City of Austin for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness.
Date: June 2012.
Geographic Distribution of African-American Population and FY 2012-13 Proposed Projects, by Census Tract

% African-American
- 0% - 5%
- 6% - 10%
- 11% - 20%
- 21% - 30%
- 31% - 59%

FY12-13 Projects

Census Tract 11: No. Properties: 1 Funding: ESG

Census Tract 8.04: No. Properties: 8 Funding: NSP & HOME

Census Tract 8.02: No. Properties: 3 Funding: NSP & HOME

Census Tract 8.01: No. Properties: 8 Funding: NSP & HOME

Census Tract 18.12: No. Properties: 1 Funding: NSP & HOME

Census Tract 21.09: No. Properties: 8 Funding: NSP & HOME

Projects identified on this map represent planned City of Austin investment in specific geographic areas in FY 2012-13. All other projects will be designated through application processes in FY 2012-13.
Geographic Distribution of Hispanic Population and FY 2012-13 Proposed Projects, by Census Tract

% Hispanic
- 2% - 10%
- 11% - 25%
- 26% - 50%
- 51% - 75%
- 76% - 85%
- FY12-13 Projects

Census Tract 8.01: No. Properties: 8 Funding: NSP & HOME
Census Tract 8.02: No. Properties: 3 Funding: NSP & HOME
Census Tract 8.04: No. Properties: 8 Funding: NSP & HOME
Census Tract 8.05: No. Properties: 8 Funding: NSP & HOME
Census Tract 11: No. Properties: 1 Funding: ESG
Census Tract 18.12: No. Properties: 1 Funding: NSP & HOME
Census Tract 21.09: No. Properties: 8 Funding: NSP & HOME
Census Tract 21.10: No. Properties: 8 Funding: NSP & HOME

Projects identified on this map represent planned City of Austin invest in specific geographic areas in FY 2012-13. All other projects will be designated through application processes in FY 2012-13.
% Asian
- 0% - 5%
- 6% - 10%
- 11% - 15%
- 16% - 20%
- 21% - 27%

FY12-13 Projects

Census Tract 11: No. Properties: 1 Funding: ESG

Census Tract 8.04: No. Properties: 8 Funding: NSP & HOME

Census Tract 18.12: No. Properties: 1 Funding: NSP & HOME

Census Tract 21.09: No. Properties: 8 Funding: NSP & HOME

Census Tract 8.02: No. Properties: 3 Funding: NSP & HOME

Census Tract 8.01: No. Properties: 8 Funding: NSP & HOME

Projects identified on this map represent planned City of Austin investment in specific geographic areas in FY 2012-13. All other projects will be designated through application processes in FY 2012-13.

Author: City of Austin, NHCD
Source: U.S. Census Bureau, ACS 2010 (5-Year Estimates)
This map has been produced by the City of Austin for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness.
Date: June 2012.
APPENDIX III: Standard and Substandard Housing Definition
STANDARD AND SUBSTANDARD HOUSING DEFINITION

The Neighborhood Housing and Community Development (NHCD) Office is currently operating under the 2009 International Building Code. NHCD is working closely with the City’s Planning and Development Review Department to adopt 2012 International Building Codes.

As of June 1, 2012, the City of Austin is in the process of revising the current building standard and substandard articles and codes and expects to adopt the updated standards before December 2012.

Definition of Substandard and Standard Housing

The Austin City Council has adopted Chapter 25-12 of the Austin City Code. This chapter establishes the following regulations for "standard" and "substandard" housing:

1. All new multi-family and commercial buildings must meet the requirements of Article 1, Division 1 (International Building Code and local amendments); Article 4 (Electrical Code); Article 5 (Mechanical Code); Article 6 (Plumbing Code); Article 7 (Fire Code); and Article 12 (Energy Code).
2. All existing multi-family and commercial buildings must be maintained in accordance with the requirements of Article 1, Division 1 (International Building Code and local amendments); Article 4 (Electrical Code); Article 5 (Mechanical Code); Article 6 (Plumbing Code); Article 7 (Fire Code); Article 9 (Property Maintenance Code); and Article 12 (Energy Code).
3. All new one and two family dwellings must meet the requirements of Article 11 (Residential Code); Article 4 (Electrical Code); Article 6 (Plumbing Code); and Article 12 (Energy Code).
4. All existing one and two family dwellings must be maintained in accordance with the requirements of Article 11 (Residential Codes); Article 4 (Electrical Code); Article 6 (Plumbing Code); Article 9 (Property Maintenance Code); and Article 12 (Energy Code).
5. Any single-family, two-family or multi-family dwelling not maintained in accordance with Article 9 (Property Maintenance Code). A "substandard building" may also be deemed to be a “dangerous building” if not maintained in accordance with Article 9 (Property Maintenance Code), to the extent that the condition(s) of the building constitute a danger to the occupants or to the public.

In addition, for properties with U.S. Department of Housing and Urban Development (HUD) funds provided by the City of Austin’s Neighborhood Housing and Community Development (NHCD) Office, the following clarifications for definition are provided:

Substandard Housing: Housing which does not meet the minimum standards contained in the City of Austin’s Housing Code (i.e. does not provide shelter,
endangers the health, safety or well being of occupants). Jurisdictions may adopt more stringent local definitions of substandard housing.

**Substandard, Suitable for Rehabilitation:** Substandard units which are structurally sound and for which the cost of rehabilitation is considered economically warranted.

**Substandard, Needs Replacement:** Substandard units which are structurally unsound and for which the cost of rehabilitation is considered infeasible, such as instances where the majority of a unit has been damaged by fire.
APPENDIX IV: Residential Anti-Displacement and Relocation Plan
RESIDENTIAL ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN

The U.S. Department of Housing and Urban Development (HUD) requires recipients of HUD funds to certify they have in effect and are following a residential anti-displacement and relocation assistance plan (RARAP) as required by 24 CFR Part 42, Displacement, Relocation Assistance, and Real Property Acquisition Policies Act of 1970, as amended, for HUD and HUD-assisted programs.

The City of Austin’s Neighborhood Housing and Community Development (NHCD) Office does not anticipate any displacement to occur as a result of HUD-funded activities. All NHCD activities will be carried out in such a manner as to safeguard that no displacement occurs; however, in the event that a project involving displacement is pursued, NHCD will adhere to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. In addition, relocation assistance will be provided in adherence with the Uniform Relocation Assistance and Real Property Acquisition Policies Act.

One-for-One Replacement of Lower-Income Dwelling Units
When necessary and applicable under federal requirements, NHCD will replace all occupied and vacant occupiable lower income housing demolished or converted to a use other than lower income housing in connection with a project assisted with funds provided under the HOME Investment Partnership Grant, Community Development Block Grant (CDBG) and other applicable federally assisted programs administered by the City of Austin.

All replacement housing will be provided within three years after the commencement of demolition or conversion. Before entering into a contract that commits NHCD to provide funds for a project that will directly result in demolition or conversion, NHCD will notify the public through public notice in a newspaper of general circulation, or post the notification at the City Clerk’s Office, Neighborhood Housing and Community Development (NHCD) Office, City neighborhood centers, and additional public places located in the area of the proposed project(s). NHCD will submit to the U.S. Department of Housing and Urban Development (HUD) the following information:

1. A description of the proposed assisted project;

2. The physical address, number of bedrooms, and a map identifying the specific location of lower income housing that will be demolished or converted to be used other than lower income housing;

3. A project time schedule addressing the commencement and completion of the demolition or conversion;

4. To the extent known, the physical address, number of bedrooms and a map identifying the location of the replacement housing that has been or will be provided.
5. The source of funding and a time schedule for the provision of the replacement housing;

6. The basis for concluding that the replacement housing will remain lower income housing for at least 10 years from the date of initial occupancy;

7. Information demonstrating that any proposed replacement of housing units with smaller dwelling units (e.g., a 2-bedroom unit with two 1-bedroom units), or any proposed replacement of efficiency or single-room occupancy (SRO) units with units of a different size, is appropriate and consistent with the housing needs and priorities identified in the approved 5-Year Consolidated Plan for the City of Austin.

To the extent that the specific location of the replacement housing and other data in items 4 through 7 are not available at the time of the general submission to HUD, NHCD will submit a map identifying the general location of the proposed project and complete the disclosure and submission requirements as soon as the specific information is available.

The City of Austin, Neighborhood Housing and Community Development (NHCD) Office or its designated agent, the Austin Housing Finance Corporation (AHFC), is responsible for:

- ensuring the tracking of replacement lower income housing,
- ensuring the lower income housing is provided within the required period,
- ensuring the provision of relocation payments and additional relocation assistance to any lower income person displaced by the demolition of any housing or the conversion of lower income housing to another use.

**Minimize Displacement**

Consistent with the goals and objectives of activities assisted under the Housing and Community Development Act of 1974, the City of Austin, to the greatest extent feasible, will take steps to minimize the direct and indirect displacement of persons from their homes. These steps may include, but may not be limited to, the following:

1. Coordinate code enforcement with rehabilitation and housing assistance programs.

2. Evaluate housing codes and rehabilitation standards in reinvestment areas to prevent undue financial burden on established owners and tenants.

3. Stage rehabilitation of apartment units by working on empty units first; thus, allowing tenants to remain in the building during and after rehabilitation.

4. Arrange for facilities to house persons who must be temporarily relocated during rehabilitation.
5. Adopt policies and or strategies to identify and mitigate displacement resulting from intensive public investment in neighborhoods.

6. Adopt policies and or strategies which provide reasonable protections for tenants faced with conversion to a condominium or cooperative.

7. Establish counseling centers or provide counseling services to provide owners and tenants with information and resources on assistance available to help them remain in their neighborhood in the face of revitalization pressures.

Relocation Assistance to Displaced Persons
The Neighborhood Housing and Community Development (NHCD) Office will provide relocation assistance for lower-income tenants who, in connection with an activity assisted under the [CDBG and/or HOME] program[s], move permanently or move personal property from real property as a direct result of the demolition of any dwelling unit or the conversion of a lower-income dwelling unit in accordance with the requirements of 24 CFR 42.350. A displaced person who is not a lower-income tenant, will be provided relocation assistance in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR Part 24.
APPENDIX V: Monitoring Plan
MONITORING PLAN

The goal of the City of Austin’s monitoring process is to assess subrecipient/contractor performance in the areas of program, financial and administrative compliance with applicable federal, state and municipal regulations and current program guidelines. Under this plan, select programs and project activities are monitored through one or more of the following components. The City of Austin’s monitoring plan consists of active contract monitoring and long-term monitoring for closed projects.

Active Contract Monitoring
Prior to executing any agreement or obligation, monitoring takes the form of a compliance review. Verification is obtained to ensure that the proposed activity to be funded has received the proper authorization through venues such as the annual Action Plan, environmental review and fund release, and identification in the Integrated Disbursement & Information System (iDIS). A contract begins with written program guidelines, documentation and tracking mechanisms that will be used to demonstrate compliance with applicable federal, state and local requirements.

For activities implemented through external programs or third-party contracts with non-profit, for-profit and community-based organizations, solicitation may be required in the form of a comprehensive Notice of Fund Availability (NOFA or Request for Proposals (RFP) which details performance, financial and regulatory responsibilities.

1. Compliance Review prior to obligation of funds. Prior to entering into any agreement or to the obligation of entitlement funds, the City conducts a compliance review to verify that the program activity has been duly authorized. The compliance review consists of verifying and documenting that:

   o The program activity has been approved as part of the Action Plan for the specified funding source and year;
   o The availability of applicable funds for the specific activity;
   o The activity has received environmental review and determination and fund release, as applicable;
   o The service provider is not listed in the Excluded Parties Listing (EPLS);
   o The activity has been set up and identified in iDIS;
   o The scope of work defined in the contract has adequately addressed performance, financial and tracking responsibilities necessary to report and document accomplishments; and
   o The service provider has the required insurance in place.

After this information has been verified and documented, staff may proceed in obtaining authorization and utilization of entitlement funds for the activity.

2. Desk Review. Before processing an invoice for payment, staff reviews the invoice to verify that the item or service is an eligible expense and it is part of the contract budget. Staff also reviews performance reports and supporting documentation submitted with the invoice to ensure that the contractor is performing in accordance with the terms of the contract and the scope of work. This level of monitoring is performed on an ongoing basis throughout the duration of the contract.

3. Records Audit. The review at this level includes a review of all file documents as needed. A file checklist is used to determine if the required documents are present. Through the review of performance reports and other documentation submitted by the
contractor, staff is able to identify areas of concern and facilitate corrections and/or improvements. Should problems be identified, a contractor or recipient of funds may then be provided technical assistance as necessary to reach a resolution. However, if no resolution of identified problems occurs or the contractor fails to perform in accordance with the terms and conditions of the contract, the City of Austin has the authority to suspend further payments to the contractor or recipient of funds until such time that issues have been satisfactorily resolved.

4. Selected On-Site Monitoring. A risk assessment is conducted internally and is used to determine the priority of site reviews to be conducted. Based on the results of the risk assessment, a selected number of projects may be subject to an on-site review. The performance of contractors is reviewed for compliance with the program guidelines and the terms and conditions of the contract. In particular, staff verifies program administration and regulatory compliance in the following areas:

- Performance (e.g. meeting a national objective, conducting eligible activities, achieving contract objectives, performing scope of work activities, maintaining contract schedule, abiding by the contract budget);
- Record keeping;
- Reporting practices; and
- Compliance with applicable anti-discrimination regulations.

There will be follow-up, as necessary, to verify regulatory and program administration compliance has been achieved.

5. Contract Closeout. Once a project activity has been completed and all eligible project funds expended, the staff will require the contractor to submit a project closeout package. The contract closeout will provide documentation to confirm whether the contractor was successful in completing all performance and financial objectives of the contractor. Staff will review and ask the contractor, if necessary, to reconcile any conflicting information previously submitted. The project closeout will constitute the final report for the project. Successful completion of a project means that all project activities, requirements, and responsibilities of the contractor have been adequately addressed and completed.

Long-term Monitoring
Acceptance of funds from Neighborhood Housing and Community Development (NHCD) Office of the City of Austin, or its sub-recipient Austin Housing Finance Corporation (AHFC) obligates beneficiaries/borrowers to adhere to conditions for the term of the affordability period. NHCD is responsible for the compliance oversight and enforcement of long- or extended-term projects and financial obligations created through City-sponsored or -funded housing and community development projects. In this capacity, NHCD performs the following long-term monitoring duties:

- Performs compliance monitoring in accordance with regulatory requirements specified in the agreement;
- Reviews and verifies required information and documentation submitted by borrowers for compliance with applicable legal obligations and/or regulatory requirements; and
- Enforces and takes corrective action with nonperforming loans and/or projects deemed to be out of compliance in accordance with legal and/or regulatory terms and conditions.
Monitoring may be in the form of a desk review, on-site visit, visual or Housing Quality Standard (HQS) inspection. Technical assistance is available to assist beneficiaries/borrowers in understanding any aspect of the contractual obligation so that performance goals are met with minimal deficiencies.
APPENDIX VI: Resale and Recapture Policy
RESALE AND RECAPTURE POLICIES

Participating Jurisdictions (PJs) undertaking HOME-assisted homebuyer activities, including any projects funded with HOME Program Income (PI), must establish written resale and/or recapture provisions that comply with HOME statutory and regulatory requirements. These provisions must also be set forth in the PJ’s Consolidated Plan. The written resale and/or recapture provisions that a PJ submits in its annual Action Plan must clearly describe the terms of the resale and/or recapture provisions, the specific circumstances under which these provisions will be used (if more than one set of provisions is described), and how the PJ will enforce the provisions for HOME-funded ownership projects. HUD reviews and approves the provisions as part of the annual Action Plan process.

The purpose of this section is to provide the “resale” and “recapture” policies of the City of Austin’s Neighborhood Housing and Community Development Department (NHCD) and its subrecipient, the Austin Housing Finance Corporation (AHFC). As stated above, HOME requires that PJs utilize resale and/or recapture provisions to ensure continued affordability for low- to moderate-income homeowners and as a benefit to the public through the wise stewardship of federal funds.

NHCD has three programs which use HOME funds to assist homeowners or homebuyers:

1. Down Payment Assistance (DPA) - new homebuyers;
2. Acquisition and Development (A&D) - developers of new ownership housing, and;
3. Homeowner Rehabilitation Loan Program (HRLP) - owners of existing homes.

Resale
This option ensures that the HOME-assisted units remain affordable over the entire affordability period. The Resale method is used in cases where HOME funding is provided directly to a developer to reduce development costs, thereby, making the price of the home affordable to the buyer. Referred to as a “Development Subsidy,” these funds are not repaid by the developer to the PJ, but remain with the property for the length of the affordability period.

Specific examples where the City of Austin would use the resale method include:

1. providing funds for the developer to acquire property to be developed or to acquire affordable ownership units;
2. providing funds for site preparation or improvement, including demolition; and
3. providing funds for construction materials and labor.
The City of Austin Resale Policy

Notification to Prospective Buyers. The resale policy is explained to the prospective homebuyer(s) prior to signing a contract to purchase the HOME-assisted unit. The prospective homebuyer(s) sign an acknowledgement that they understand the terms and conditions applicable to the resale policy as they have been explained. This document is included with the executed sales contract. (See attached Notification for Prospective Buyers on Page IV-11.)

Enforcement of Resale Provisions. The resale policy is enforced through the use of a Restrictive Covenant signed by the homebuyer at closing. The Restrictive Covenant will specify:

1. the length of the affordability period (based on the dollar amount of HOME funds invested in the unit; either 5, 10, or 15 years);
2. that the home remain the Buyer’s principal residence throughout the affordability period; and
3. the conditions and obligations of the Owner should the Owner wish to sell before the end of the affordability period, including;
   a. the Owner must contact the Austin Housing Finance Corporation in writing if intending to sell the home prior to the end of the affordability period;
   b. The subsequent purchaser must be low-income as defined by HOME, and occupy the home as his/her new purchaser’s primary residence for the remaining years of the affordability period. (However, if the new purchaser receives direct assistance through a HOME-funded program, the affordability period will be re-set according to the amount of assistance provided); and
   c. The sales price must be affordable to the subsequent purchaser; affordable is defined as limiting the Principal, Interest, Taxes and Insurance (PITI) amount to no more than 30% of the new purchaser’s monthly income.

Fair Return on Investment. The City of Austin will administer its resale provisions by ensuring that the Owner receives a fair return on his/her investment and that the home will continue to be affordable to a specific range of incomes. Fair Return on Investment means the total homeowner investment which includes the total cash contribution plus the approved capital improvements credits as described below:

1. The amount of the down payment;
2. The cost of any capital improvements, documented with receipts provided by the homeowner, including but not limited to:
   a. Any additions to the home such as a bedroom, bathroom, or garage;
   b. Replacement of heating, ventilation, and air conditioning systems;
   c. Accessibility improvements such as bathroom modifications for disabled or elderly, installation of wheel chair ramps and grab bars, any and all of which must have been paid for directly by the Owner and
which were not installed through a federal, state, or locally-funded
grant program; and

d. Outdoor improvements such as a new driveway, walkway, retaining
wall, or fence.

**Note:** All capital improvements will be visually inspected to verify their
existence.

3. The percentage of change as calculated by the **Housing Price Index** (HPI)
Calculator of the Federal Housing Finance Agency. The HPI Calculator is
given house purchased at a point in time would be worth today if it
appreciated at the average appreciation rate of all homes in the area. The
calculation shall be performed for the Austin-Round Rock-San Marcos, TX
Metropolitan Statistical Area.

**Affordability to a Range of Buyers.** The City will ensure continued affordability to a
range of buyers, particularly those whose total household incomes range from 65
percent to no greater than 80 percent MFI. If the City of Austin or the Austin
Housing Finance Corporation implements a Community Land Trust, the range of
incomes will be broadened considerably.

Sales prices shall be set such that the amount of Principal, Interest, Taxes, and
Insurance does not exceed 30 percent of the new Buyer’s annual income. For FY
2012-13, the affordable sales price shall not exceed $175,000, which would be
affordable to a 4-person household at 80 percent MFI at today’s lower home
mortgage interest rates.

**Example:** A home with a 10-year affordability period was purchased six years ago
by a person (the “original homeowner”) who now wishes to sell. The original
homeowner’s mortgage was $52,250 at 6.75% interest for 30 years, and has made
payments for 72 months. The current mortgage balance is $48,270. The principal
amount paid down so far is $3,980.

**Calculating Fair Return on Investment.**

**Down payment:** The original homeowner was required to put down $1,000 earnest
money at the signing of the sales contract.

**Cost of Capital Improvements:** The original homeowner had a privacy fence
installed four years ago at the cost of $1,500 and has receipts to document the
improvement. A visual inspection confirmed the fence is still in place.

**Percentage of Change.** The original purchase price for the home was $55,000 and
the amount of developer subsidy was $25,000, thus requiring the 10-year
affordability period.

For the purposes of using the Federal Housing Finance Agency’s Housing Price Index
calculator, the home was purchased in the 3rd Quarter of 2006, and will be
calculated using the most current quarter available, 1st Quarter 2012. Using the Housing Price Index calculator, the house would be worth approximately $61,112.

Calculating the Fair Return to the Original Owner:
Down payment: $1,000
Capital Improvements: $1,500
Principal Paid: $3,980
Increase in value per HPI: $6,112

$12,592 Fair Return on Investment

In order to realize a fair return to the original homeowner, the sales price must be set at roughly $61,000 (i.e., $55,000 [$3,980 in principal payments made plus remaining mortgage balance of $48,270] + $1,000 down payment + $1,500 capital improvements + $6,112 HPI increase = $60,862)

Affordability for a Range of Buyers. If the original homeowner sets the sales price at $61,000 to get a fair return on investment, and if current (2012) assumptions are used for front/back ratios, interest rates, insurance, taxes, an 80% Loan-to-Value (LTV) Ratio, etc., the monthly PITI would be approximately $483.

The PITI of $483 could, in theory, be supported by an annual household income of $19,500 and not exceed 30% of the subsequent homeowner’s monthly income. The housing costs could be supported more realistically by households with incomes between 50% and 80% MFI. However, with an 80% LTV ratio, most buyers will require down payment assistance which, if HOME funds are used, would create a new affordability period based on the level of the new HOME investment.

If the subsequent homeowner does not require any HOME subsidy to purchase the home, the affordability period would end in 4 years at which time the subsequent homeowner could sell to any buyer at any price.
Recapture
Under HOME recapture provisions financial assistance must be repaid if it is provided directly to the buyer or the homeowner. Upon resale the seller may sell to any willing buyer at any price. The written agreement and promissory note will disclose the net proceeds percentage if any that will be allotted to the homebuyer and what proceeds will return to the PJ. Once the HOME funds are repaid to the PJ, the property is no longer subject to any HOME restrictions. The funds returned to the PJ may then be used for other HOME-eligible activities.

The City of Austin Recapture Policy

The City of Austin and Neighborhood Housing and Community Development (NHCD) HOME funded program under the recapture provisions is the Down Payment Assistance Program (DPA). The Austin Housing Finance Corporation’s (AHFC) HOME funded program under recapture provisions is the Homeowner Rehabilitation Loan Program (HRLP).

The (HOME) federal assistance will be provided in the form of a 0% interest, deferred payment loan. The fully executed (by all applicable parties) and dated Written Agreement, Promissory Note and Deed of Trust will serve as the security for these loans. The Deed of Trust will also be recorded in the land records of Travis County or Williamson County.

The payment of the DPA or HRLP Promissory Note is made solely from the net proceeds of sale of the Property (except in the event of fraud or misrepresentation by the Borrower described in the Promissory Note).

The City of Austin and/or AHFC/NHCD may share any resale equity appreciation of HOME-assisted DPA or HRLP loans with the Borrower/Seller according to the following two recapture models:

**Standard Down Payment Assistance.** The City of Austin will calculate the recapture amount and add this to the existing payoff balance of the DPA loan. The entire payoff balance must be paid to AHFC/NHCD before the homebuyer receives a return. The recapture amount is limited to the net proceeds available from the sale. However, the amount of standard Down Payment Assistance will be forgivable at the end of maturity date if the borrower met all of the program requirements.

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appraised Value of Property or Sales Price (whichever is less)</td>
<td>$</td>
</tr>
<tr>
<td>Original Senior Lien Note Amount</td>
<td>(-) $</td>
</tr>
<tr>
<td>Any reasonable and customary sales expenses paid by the Borrower in connection with the sale (Closing costs)</td>
<td>(-) $</td>
</tr>
<tr>
<td><strong>Net proceeds</strong></td>
<td>$</td>
</tr>
<tr>
<td>DPA Original Note Amount</td>
<td>(-) $</td>
</tr>
<tr>
<td>Equity to Borrower/Seller</td>
<td>= $</td>
</tr>
</tbody>
</table>
Shared Equity Down Payment Assistance (DPA). The City of Austin and AHFC/NHCD will permit the Borrower/Seller to recover their entire investment (down payment and capital improvements made by them since purchase) before recapturing the HOME investment. The recapture amount is limited to the net proceeds available from the sale.

Down Payment Formula. Equity to be shared: The Appraised Value of the Property at time of resale less original senior lien Note, less borrower’s cash contribution, less capital improvement recapture credit, less the Original Principal Amount of Mortgage Assistance under the DPA Mortgage, calculated as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appraised Value of Property or Sales Price (whichever is less)</td>
<td></td>
</tr>
<tr>
<td>Original Senior Lien Note Amount</td>
<td>(-) $</td>
</tr>
<tr>
<td>Any reasonable and customary sales expenses paid by the Borrower in connection with the sale (Closing costs)</td>
<td>(-) $</td>
</tr>
<tr>
<td>Net proceeds</td>
<td>$</td>
</tr>
<tr>
<td>Borrower’s Cash Contribution</td>
<td>(-) $</td>
</tr>
<tr>
<td>Capital Improvement Recapture Credit</td>
<td>(-) $</td>
</tr>
<tr>
<td>DPA Mortgage Assistance Amount</td>
<td>(-) $</td>
</tr>
<tr>
<td>Equity to be Shared</td>
<td>=</td>
</tr>
</tbody>
</table>

The homebuyer’s entire investment (cash contribution and capital improvements) must be repaid in full before any HOME funds are recaptured. The capital improvement recapture credit will be subject to:

1. The borrower having obtained NHCD approval prior to his/her investment; and
2. The borrower providing proof of costs of capital improvements with paid receipts for parts and labor.

Calculation of Shared Equity Percentage. Percentage shall remain the same as calculated at initial purchase (as set forth above).

Shared Equity Payment Due to NHCD or the City of Austin. Shall be (Equity to be shared) x (Shared Equity Percentage), calculated as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity to be shared</td>
<td>$</td>
</tr>
<tr>
<td>Shared Equity Percentage</td>
<td>× %</td>
</tr>
<tr>
<td>Shared Equity Payment Due to NHCD/City of Austin</td>
<td>= $</td>
</tr>
</tbody>
</table>

Total Due to NHCD or City of Austin. Shall be the total of all amounts due to NHCD or the City of Austin calculated as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortgage Assistance Amount</td>
<td>$</td>
</tr>
<tr>
<td>Interest and Penalties</td>
<td>+ $</td>
</tr>
<tr>
<td>Shared Equity Payment</td>
<td>+ $</td>
</tr>
<tr>
<td>Total Due to NHCD/City of Austin</td>
<td>= $</td>
</tr>
</tbody>
</table>
HRLP Homeowner Reconstruction Formula. Upon executing and dating the Promissory Note, Written Agreement and the Deed of Trust the parties agree that the Mortgage Assistance Amount provided to Borrower by AHFC is to be 25% of the Borrower's/Seller's equity in the Property.

Equity to be Shared. The Appraised Value of the Property at time of resale, less closing costs, homeowner's cash contribution (if any), capital improvement recapture credit, AHFC original assistance amount, calculated as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appraised Value of Property or Sales Price (whichever is less)</td>
<td></td>
</tr>
<tr>
<td>Any reasonable and customary sales expenses paid by the Borrower/Seller in</td>
<td></td>
</tr>
<tr>
<td>connection with the sale (Closing costs)</td>
<td>(-) $</td>
</tr>
<tr>
<td>Homeowner's Cash Contribution</td>
<td>(-) $</td>
</tr>
<tr>
<td>Capital Improvement Recapture Credit</td>
<td>(-) $</td>
</tr>
<tr>
<td>AHFC or the City of Austin Original HRLP Assistance Amount</td>
<td>(-) $</td>
</tr>
<tr>
<td>Equity to be Shared</td>
<td>=</td>
</tr>
</tbody>
</table>

Calculation of Shared Equity Percentage: Percentage shall remain the same as initially determined (as set forth above). Shared Equity Payment Due to AHFC or the City of Austin: Shall be (Equity to be shared) x (Shared Equity Percentage), calculated as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity to be shared</td>
<td>$</td>
</tr>
<tr>
<td>Shared Equity Percentage</td>
<td>25%</td>
</tr>
<tr>
<td>Shared Equity Payment Due to AHFC or the</td>
<td>= $</td>
</tr>
<tr>
<td>City of Austin</td>
<td></td>
</tr>
</tbody>
</table>

Total Due to AHFC or the City of Austin: Shall be the total of all amounts due to AHFC or the City of Austin calculated as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing Owing HRLP Mortgage Assistance Amount</td>
<td>$</td>
</tr>
<tr>
<td>Shared Equity Percentage Payment</td>
<td>+ $</td>
</tr>
<tr>
<td>Sum Total Due to AHFC or the City of Austin</td>
<td>$</td>
</tr>
</tbody>
</table>

HRLP Homeowner Rehabilitation Formula. Equity to be shared: The Appraised Value of the Property at time of resale, less closing costs, homeowner’s cash contribution (if any), capital improvement recapture credit, AHFC or the City of Austin’s original assistance amount, calculated as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appraised Value of Property or Sales Price (whichever is less)</td>
<td></td>
</tr>
<tr>
<td>Any reasonable and customary sales expenses paid by the homeowner in</td>
<td>(-) $</td>
</tr>
<tr>
<td>connection with the sale (Closing costs)</td>
<td></td>
</tr>
<tr>
<td>Homeowner’s Cash Contribution</td>
<td>(-) $</td>
</tr>
<tr>
<td>Capital Improvement Recapture Credit</td>
<td>(-) $</td>
</tr>
<tr>
<td>AHFC and/or the City of Austin Original HRLP Assistance Amount</td>
<td>(-) $</td>
</tr>
<tr>
<td>Equity to Borrower/Seller</td>
<td>=</td>
</tr>
</tbody>
</table>
Net proceeds consist of the sales prices minus loan repayment, other than HOME funds, and closing costs. If the net proceeds of the sale are insufficient to fully satisfy the amounts owed on the HRLP Note the AHFC or the City of Austin may not personally seek or obtain a deficiency judgment or any other recovery from the Borrower/Seller. The amount due to Lender is limited to the net proceeds, if any, if the net proceeds are not sufficient to recapture the full amount of HOME funds invested plus allow Borrower to recover the amount of Borrower’s down-payment and capital improvement investment, including in, but not limited to, cases of foreclosure or deed-in-lieu of foreclosure. If there are no net proceeds AHFC or the City of Austin will receive no share of net proceeds.

However, in the event of an uncured Default, AHFC or the City of Austin may, at its option, seek and obtain a personal judgment for all amounts payable under the Note. This right shall be in addition to any other remedies available to AHFC and/or the City of Austin. If there are insufficient funds remaining from the sale of the property and the City of Austin or the Austin Housing Finance Corporation (AHFC) recaptures less than or none of the recapture amount due, the City of Austin and/or AHFC must maintain data in each individual HRLP file that documents the amount of the sale and the distribution of the funds.

This will document that:

1. There were no net sales proceeds; or
2. The amount of the net sales proceeds was insufficient to cover the full amount due; and
3. No proceeds were distributed to the homebuyer/homeowner.

Under “Recapture” provisions, if the home is SOLD prior to the end of the required affordability period, the net sales proceeds from the sale, if any, will be returned to the City of Austin and/or AHFC to be used for other HOME-eligible activities. Other than the actual sale of the property, if the homebuyer or homeowner breaches the terms and conditions for any other reason, e.g. no longer occupies the property as his/her/their principal residence, the full amount of the subsidy is immediately due and payable.

If Borrower/Seller is in Default, AHFC and/or the City of Austin may send the Borrower/Seller a written notice stating the reason Borrower/Seller is in Default and telling Borrower/Seller to pay immediately:

(i) the full amount of Principal then due on this Note,
(ii) all of the interest that Borrower/Seller owes, and that will accrue until paid, on that amount, and
(iii) all of AHFC/or the City of Austin’s costs and expenses reimbursable Recovery against the Borrower/Seller responsible for the fraud or
misrepresentation is not limited to the proceeds of sale of the Property, but may include personal judgment and execution thereon to the full extent authorized by law.

Affordability Periods

<table>
<thead>
<tr>
<th>HOME Program Assistance Amount</th>
<th>Affordability Period in Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,000 - $14,999.99</td>
<td>5</td>
</tr>
<tr>
<td>$15,000 – $40,000</td>
<td>10</td>
</tr>
<tr>
<td>Over $40,000</td>
<td>15</td>
</tr>
<tr>
<td>Reconstruction Projects*</td>
<td>20</td>
</tr>
</tbody>
</table>

*City of Austin policy

A HOME Written Agreement, Note and Deed of Trust will be executed by the Borrower and the City of Austin and/or the Austin Housing Finance Corporation (AHFC) that accurately reflects the resale or recapture provisions before or at the time of sale.

References: [HOMEfires Vol 5 No 2, June 2003 – Repayment of HOME Investment; Homebuyer Housing with a ‘Recapture’ Agreement; Section 219(b) of the HOME Statute; and §92.503(b)(1)-(3) and (c)]

City of Austin Refinancing Policy

In order for new executed subordination agreement to be provided to the senior first lien holder, the senior first lien refinance must meet the following conditions:
1. The new senior first lien will reduce the monthly payments to the homeowner, thereby making the monthly payments more affordable; or
2. Reduce the loan term;
3. The new senior lien interest rate must be fixed for the life of the loan (Balloon or ARM loans are ineligible);
4. No cash equity is withdrawn by the homeowner as a result of the refinancing actions;
5. AHFC/NHCD and/or the City will, at its discretion, agree to accept net proceeds in the event of a short sale to avoid foreclosure; and
6. Only if the borrower meets the minimum requirements to refinance, the City can re-subordinate to the first lien holder.

The refinancing request will be processed according to the following procedure:

1. Submit a written request to Compliance Division to verify the minimum refinancing requirements with one month in advance from the expected closing;
2. NHCD/AHFC will review the final HUD-1 Settlement Statement two weeks prior to closing the refinance.
3. If applicable, NHCD/AHFC or the City of Austin will issue written approval a week prior to the closing date.
4. NHCD/AHFC will be provided with a copy of the final, executed HUD-1 Settlement Statement, Promissory Note, and recorded Deed of Trust three days in advance of the closing date.

5. If written permission is not granted by AHFC/NHCD or the City of Austin allowing the refinance of the Senior Lien, the DPA OR HRLP Loan will become immediately due and payable prior to closing the refinance.

6. If written permission is granted by AHFC/NHCD and/or the City of Austin and it is determined that the refinancing action does not meet the conditions as stated above, the DPA OR HRLP Loan will become immediately due and payable prior to closing the refinance.

7. Home Equity loans will trigger the repayment requirements of the DPA OR HRLP Programs loans. The DPA or HRLP Notes must be paid off no later than when the Home Equity Loan is closed and funded.

8. The DPA OR HRLP Notes must be paid-in-full in order for AHFC/NHCD and/or the City of Austin to execute a release of lien.
Basic Terminology

**Affordable Housing:** The City of Austin follows the provisions established on 24 CFR 92.254, and consider that in order for homeownership housing to qualify as affordable housing it must:

- Be single-family, modest housing,
- Be acquired by a low-income family as its principal residence, and
- Meet affordability requirements for a specific period of time as determined by the amount of assistance provided.

**The City:** means the City of Austin’s Neighborhood Housing and Community Development Office (NHCD) or its sub recipient, the Austin Housing Finance Corporation (AHFC).

**Fair Return on Investment:** means the total homeowner investment which includes the total cash contribution plus the approved capital improvements credits.

**Capital Improvement:** means additions to the property that increases its value or upgrades the facilities. These include upgrading the heating and air conditioning system, upgrading kitchen or bathroom facilities, adding universal access improvements, or any other permanent improvement that would add to the value and useful life of the property. The costs for routine maintenance are excluded.

**Capital Improvement Credit:** means credits for verified expenditures for Capital Improvements.

**Direct HOME subsidy:** is the amount of HOME assistance, including any program income that enabled the homebuyer to buy the unit. The direct subsidy includes down payment, closing costs, interest subsidies, or other HOME assistance provided directly to the homebuyer. In addition, direct subsidy includes any assistance that reduced the purchase price from fair market value to an affordable price.

**Direct HOME subsidy for Homeowner Rehabilitation Loan Program:** is the amount of HOME assistance, including any program income that enabled the homebuyer to repair or reconstruct the unit. The direct subsidy includes hard costs and soft cost according to 24 CFR 92.206.

**Net proceeds:** are defined as the sales price minus superior loan repayment (other than HOME funds) and any closing costs.

**Recapture:** The recapture provisions are established at §92.253(a)(5)(ii), permit the original homebuyer to sell the property to any willing buyer during the period of affordability while the PJ is able to recapture all or a portion of the HOME-assistance provided to the original homebuyer.

**Source:** Notice: CPD 12-003 http://www.hud.gov/offices/cpd/lawsregs/notices/2012/12-003.pdf
INFORMATION FOR PROSPECTIVE BUYERS

The [Five] [Ten] [Fifteen]-Year Affordability Period
&
The Restrictive Covenant Running With the Land

I understand that because a certain amount of federal funds were used by [Developer Name] to develop the property at [Address], the federal government requires that certain restrictions apply to the occupancy or re-sale of this home for a period of [five (5) ten (10) fifteen (15)] years. I understand that during that [five] [ten] [fifteen]-year period, those requirements will be enforced through a legally-enforceable document called a “Restrictive Covenant Running with the Land.”

If I choose to purchase this home, at the time the home is sold to me, I will sign a Restrictive Covenant Running with the Land, and it will be filed in the Official Public Records of the Travis County Clerk’s Office. The requirements of the Restrictive Covenant Running with the Land are:

- That I must occupy the home as my principal residence during the [5] [10] [15]-year period in which the Restrictive Covenant is in effect;
- If I wish to sell the Property before the end of that period, I am required to sell it to a subsequent buyer whose total household income is at or below 80% of the Austin area Median Family Income in effect for the year I wish to sell the home.
- The sales price must be set such that I receive a fair return which shall be defined as:
  1. The amount of any cash contributions including the down payment and principal payments made;
  2. The cost of any capital improvements, documented with receipts, and including but not limited to:
     a. Any additions to the home such as a bedroom, bathroom, or garage;
     b. Replacement of heating, ventilation, and air conditioning systems;
     c. Accessibility improvements such as bathroom modifications for disabled or elderly, installation of wheelchair ramps and grab bars, any and all of which must have been paid for directly by the Owner and which were not installed through a federal, state, or locally-funded grant program; and
     d. Outdoor improvements such as a new driveway, walkway, retaining wall, or fence.
- The sales price must be set so that the monthly principal, interest, taxes and insurance to be paid by the subsequent buyer will not exceed 30% of that subsequent buyer’s monthly household income.
- I will notify the Austin Housing Finance Corporation (AHFC) in writing so that AHFC can assist with the compliance of this federal regulation.

I/We acknowledge having received this information about the federal requirements involved if I/we decide to purchase this home.

Signature Date Signature Date
APPENDIX VII: Section 3 Plan
CITY OF AUSTIN, TEXAS

NEIGHBORHOOD HOUSING
AND
COMMUNITY DEVELOPMENT OFFICE

SECTION 3 PLAN
for the
HOUSING AND URBAN DEVELOPMENT ACT OF 1968

Updated June 2012
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PART ONE: GENERAL INFORMATION

Introduction and General Intent Statement

“Section 3” refers to Section 3 of the Housing and Urban Development Act of 1968, as amended, (12 U.S.C. 1701u). This Section 3 Plan describes how the City of Austin Neighborhood Housing and Community Development Office (NHCD) will implement the objectives of 24 CFR 135.

The purpose of Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Section 3) is to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons.¹

The NHCD Section 3 Plan shall result in a reasonable level of success in the recruitment, employment, and utilization of the aforementioned persons and businesses through its awards of contracts partially or wholly funded with HUD monies.

Section 3 Applicability

Since this Plan only covers NHCD programs, the requirements of the Plan are limited to contracts meeting all three of the following conditions:

1. Contracts are for housing construction, housing rehabilitation, or public improvement construction projects; and
2. Each contract or subcontract award is in excess of $100,000; and
3. The contract is wholly or partially-funded with HUD funds.

Local Requirements to be Considered

By ordinance, the City of Austin requires its subrecipients, contractors, vendors, and suppliers to provide equal employment opportunity to all employees and applicants for employment without regard to race, creed, color, religion, national origin, sexual orientation, gender identity, disability, sex or age, unless sex or age is a bona fide occupational qualification of employment.²

General Section 3 Requirement

Because NHCD receives HUD funding, Section 3 requires NHCD to ensure that employment and other economic and business opportunities generated by the HUD funding will, to the greatest extent feasible, be directed to:

¹ Source: 24 CFR 135.1(a) [Emphasis added]
² City of Austin Code of Ordinances #5-4-1(3) [Emphasis added]
1. Qualified low- and very low-income persons residing in the metropolitan area
2. Businesses that employ low- to very-low income persons;
3. Businesses that are owned by low- to very low-income persons; and
4. Businesses that provide evidence of a commitment to subcontract in excess of 25% of the dollar amount of all subcontracts to be awarded to businesses that meet the qualifications described in Subsections 2 and 3 below.

The definitions of each of the above categories follows.

1. Qualified low-income and very-low income persons residing in the metropolitan area:
   a. “Qualified” means the prospective employee has the proper qualifications for the work to be performed.
   b. “Low-income persons” means families (including single persons) whose total household incomes are at or below 80 percent of the Median Family Income (See Appendix A) for the Austin-Round Rock-San Marcos Metropolitan Statistical Area (MSA). (Hereafter referred to as “Section 3 Residents”)
   c. “Very-low income persons” means families (including single persons) whose total household incomes do not exceed 50 percent of the Median Family Income (See Appendix A) for the Austin-Round Rock-San Marcos MSA. (Hereafter referred to as “Section 3 Residents”)
   d. “Metropolitan Area” means the 5-county Austin-Round Rock, San Marcos, MSA which includes Bastrop, Caldwell, Hays, Travis, and Williamson counties.

2. “Businesses that employ low- to very low-income persons” means a business that has at least 30% of its employees who are Section 3 Residents as defined in Subsection 1(b) and 1(c) above, or those that within three years of the date of first employment with the business were Section 3 Residents. (Hereafter referred to as “Section 3 Businesses”)

3. “Businesses Owned by low- to very-low income persons” means a business that is 51% or more owned by a Section 3 Resident as defined in Subsection 1(b) and 1(c) above. (Hereafter referred to as “Section 3 Businesses”)

4. “Businesses that provide evidence of a commitment to subcontract in excess of 25% of the dollar amount of all subcontracts to be awarded to businesses that meet the qualifications described in Subsections 2 and 3” (above) means businesses that provide a certification or actual proof that they have subcontracted or currently have subcontracts with businesses owned by Section 3 Residents as defined in Subsection 3 above. (Hereafter referred to as “Section 3 Businesses”)
PART TWO: CONTRACTING/BIDDING

Procedures and Requirements for Potential Bidders/Contractors

1. For contracting opportunities where Section 3 is applicable, NHCD will incorporate Section 3 provisions in the applicable procurement/bid documents, including the numerical goals set forth in Appendix B.

2. The procurement/bid documents will require potential contractors to complete certifications acknowledging the Section 3 contracting and employment provisions.

3. Procurement/bid documents will ask potential contractors to provide a list of the number of subcontracting opportunities and/or new employment opportunities expected to be generated from the prime contract.

4. All potential contractors who bid a job must state in their bid what efforts will be made to implement Section 3 requirements, including:
   a. a numeric goal for hiring Section 3 Residents; and/or
   b. a dollar amount goal for subcontracting with Section 3 Businesses; and
   c. the potential contractor's plan to reach the goals.

5. When the bids are opened, they will be evaluated in terms of the bidder's responsiveness to Section 3, and a bid which lacks a commitment to Section 3 or which lacks a goal or plan to reach a goal, may be judged to be nonresponsive.

6. Each contractor or subcontractor shall make a good faith effort to achieve its Section 3 employment and subcontracting goals for the duration of the Contractor’s work on the Section 3 covered project.

7. It will be the responsibility of contractors, vendors and suppliers to implement and document progressive efforts to attain Section 3 compliance. Any subrecipient or contractor that does not meet the Section 3 numerical goals in Appendix B must demonstrate to the satisfaction of NHCD why meeting the goals were not feasible.

IMPORTANT NOTE: It is not the City’s intention for contractors and subcontractors to terminate existing employees, but to make every effort feasible to employ qualified Section 3 Residents before any other person when hiring additional employees needed to complete the work to be performed with HUD funds.

Section 3 Contract Language

The Section 3 Contract Clause specifies the requirements for Section 3 covered projects. NHCD must include the Section 3 Clause in all contracts for Section 3 covered projects. The required language can be found in Appendix C.
PART THREE: SECTION 3 BUSINESSES

Suggested Ways to Recruit Section 3 Businesses

NHCD, its subrecipients, contractors and subcontractors are encouraged to use any or all of the following methods to notify and contract with Section 3 Businesses when contracting opportunities exist.

- Contact the Housing Authority of the City of Austin, local contractor associations, and community organizations to inform them of contracting opportunities and to request their assistance in identifying Section 3 Businesses.

- Provide written notice of contracting/subcontracting opportunities to all known Section 3 Businesses. The written notice should be provided in sufficient time to enable businesses the opportunity to respond to the bid invitation.

- Coordinate meetings at which the Section 3 Businesses would be informed of upcoming contracting opportunities.

- Establish relationships with organizations that assist with educating and mentoring residents with a desire to start their own businesses. Examples include the Small Business Administration (SBA), the City of Austin Department of Small and Minority Business Resources in addition to local Community Development Corporations (CDCs) which often provide contracting opportunities for Section 3 Businesses. A current list of CDCs can be obtained from NHCD.

- Advertise contracting/subcontracting opportunities via newspaper, web-based sites, mailings, and by posting notices that provide general information about the work to be contracted and where to obtain additional information.

Recommended Priority Order for Contracting with Section 3 Businesses

NHCD has adopted a goal of at least three percent (3%) of the total dollar amount of Section 3 covered contracts to be awarded to Section 3 Businesses. (See Appendix B for numerical goals.) NHCD, in compliance with Section 3 regulations, will recommend contractors and subcontractors direct their efforts to award contracts to Section 3 Businesses in the following order of priority:

- **Category 1:** Section 3 Businesses that are owned by a resident of the neighborhood area where the work is being performed.

- **Category 2:** Section 3 Businesses that are owned by a resident of the City of Austin.

- **Category 3:** Section 3 Businesses whose permanent workforce includes not less than 30% Section 3 Residents.

- **Category 4:** Participants in HUD Youthbuild programs being carried out in the City of Austin in which Section 3 covered assistance is expended.

Remember to document the efforts made to recruit Section 3 Businesses for the HUD-funded work to be performed.
PART FOUR: EMPLOYMENT OF SECTION 3 RESIDENTS

Suggested Ways to Recruit Section 3 Residents for Employment

NHCD, its subrecipients, contractors and subcontractors are encouraged to use any or all of the following methods to notify potential Section 3 Residents when employment opportunities exist.

- Advertise employment opportunities via newspaper, web-based employment sites, mailings, and by posting notices in public places that provide general information about the work to be performed, the skills needed and where to obtain additional information.
- Contact the Housing Authority of the City of Austin, local non-profits offering job skills training, temporary employment agencies, and the Texas Workforce Commission to inform them of employment opportunities and to request their assistance in identifying potential employees who are Section 3 Residents.

- Local Community Development Corporations (CDCs) often provide housing for Section 3 Residents. A current list of CDCs can be obtained from NHCD.

Recommended Priority Order for Employing Section 3 Residents

Subrecipients, contractors and subcontractors are encouraged, to the greatest extent feasible, to provide employment opportunities to Section 3 Residents in the priority order listed below:

- **Category 1:** Section 3 Residents who reside in the housing development for which the work of the contract is to be performed.

- **Category 2:** Housing Choice Voucher holders (Section 8) and/or other city of Austin Section 3 residents residing in the vicinity of the project.

- **Category 3:** Participants in a HUD Youthbuild program.

- **Category 4:** Housing Choice Voucher holders (Section 8) and/or other Section 3 residents residing in the City of Austin.

It is expected that a number of Section 3 residents with particular qualifications or a willingness to begin unskilled labor will be able to participate in City of Austin-contracted labor efforts. A prime contractor may satisfy City of Austin Section 3 Resident hiring requirements through its subcontractors.
PART FIVE: REPORTING REQUIREMENTS

**Section 3 Certification Form (Contractors)**
General contractors are required to submit this form for themselves and, if applicable, their subcontractors certifying whether or not the business is a Section 3 Business Concern. The form currently being used is attached as Appendix D.

**Monthly Section 3 Reporting (Contractors)**
General contractors and sub-contractors are required to submit to the City a monthly report on any new hires as a result of the Section 3 covered contract. Examples of the form currently being used are attached as Appendix E.

**Annual Section 3 Reporting (City of Austin)**
The City of Austin will report to HUD annual accomplishments regarding employment and other economic opportunities provided to low and very low income persons under Section 3. Form HUD-60002 is currently being utilized for reporting accomplishments. This form may be changed and updated from time to time as required by HUD and 24 CFR 135. The form is for City of Austin use only.
PART SIX: SECTION 3 COMPLAINT PROCEDURE

Procedure for Filing a Complaint
In an effort to resolve complaints generated due to non-compliance through an internal process, the City of Austin encourages submittal of such complaints to its Neighborhood Housing and Community Development Director as follows:

City of Austin
Neighborhood Housing and Community Development Office
Attention: Director
P.O. Box 1088
Austin, Texas  78768-1088

Complaints should be filed in writing and must contain the name of the complainant and brief description of the alleged violation of 24 CFR 135.

Complaints must be filed within thirty (30) calendar days after the complainant becomes aware of the alleged violation.

An investigation will be conducted if complaint is found to be valid. The City will conduct an informal, but thorough, investigation affording all interested parties an opportunity to submit testimony and/or evidence pertinent to the complaint.

If complainants wish to have their concerns considered outside the City of Austin process described above, a complaint may be filed with:

Assistant Secretary for Fair Housing and Equal Opportunity
United States Department of Housing and Urban Development
451 Seventh Street, SW
Washington, DC 20410

The complaint must be received not later than 180 days from the date of the action or omission upon which the complaint is based, unless the time for filing is extended by the Assistant Secretary for good cause shown.
PART SEVEN: Definitions

Business Concern — a business entity formed in accordance with State law, and which is licensed under State, county or municipal law to engage in the type of business activity for which it was formed.

Contractor — any entity which contracts to perform work generated through the expenditure of Section 3 covered assistance, or for work in connection with a Section 3 covered project.

HUD Youthbuild Program — an employment and training program run by qualified organizations according to the provisions of 24 C.F.R. § 585 and which are designed for individuals who are:

(i) 16 to 24 years of age, inclusive, at time of enrollment in the program;
(ii) A very low-income individual or a member of a very low-income family;
and
(iii) An individual who has dropped out of high school.

Recipient — any entity which receives Section 3 covered assistance, directly from HUD or from another recipient and includes, but is not limited to, any State unit of local government, PHA, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization, resident management corporation, resident council, or cooperative association. Recipient also includes any successor, assignee or transferee of any such entity, but does not include any ultimate beneficiary under the HUD program to which Section 3 applies and does not include contractors.

Subcontractor — any entity (other than a person who is an employee of the contractor) which has a contract with a contractor to undertake a portion of the contractor’s obligation for the performance of work generated by the expenditure of Section 3 covered assistance, or arising in connection with a Section 3 covered project.
CITY OF AUSTIN  
Neighborhood Housing and Community Development Office  
HUD SECTION 3  
Income Limits by Household Size  
Effective Date: February 9, 2012

FY 2012 Area Median Family Income  
For Travis County, Texas  
$75,900 (4-person household)  

**MSA: Austin-Round Rock-San Marcos, TX.**

<table>
<thead>
<tr>
<th>Household Size</th>
<th>1</th>
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<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>50% Median Income</td>
<td>26,600</td>
<td>30,400</td>
<td>34,200</td>
<td>37,950</td>
<td>41,000</td>
<td>44,050</td>
<td>47,100</td>
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<td>(very low income defined by HUD)</td>
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<tr>
<td>80% Median Income</td>
<td>42,500</td>
<td>48,600</td>
<td>54,650</td>
<td>60,700</td>
<td>65,600</td>
<td>70,450</td>
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<td>80,150</td>
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<td>(low-income defined by HUD)</td>
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</tbody>
</table>
Title 24: Housing and Urban Development, Subchapter B: Employment And Business Opportunity

PART 135: ECONOMIC OPPORTUNITIES FOR LOW- AND VERY LOW-INCOME PERSONS

Subpart B: Economic Opportunities for Section 3 Residents and Section 3 Businesses

135.30 - Numerical goals for meeting the greatest extent feasible requirement.

(a) General.

(1) Recipients and covered contractors may demonstrate compliance with the “greatest extent feasible” requirement of Section 3 by meeting the numerical goals set forth in this section for providing training, employment, and contracting opportunities to Section 3 residents and Section 3 Businesses.

(2) The goals established in this section apply to the entire amount of Section 3 covered assistance awarded to a recipient in any Federal Fiscal Year (FY), commencing with the first FY following the effective date of this rule.

(3) For recipients that do not engage in training, or hiring, but award contracts to contractors that will engage in training, hiring, and subcontracting, recipients must ensure that, to the greatest extent feasible, contractors will provide training, employment, and contracting opportunities to Section 3 residents and Section 3 Businesses.

(4) The numerical goals established in this section represent minimum numerical targets.

(b) Training and employment. The numerical goals set forth in paragraph (b) of this section apply to new hires. The numerical goals reflect the aggregate hires. Efforts to employ Section 3 residents, to the greatest extent feasible, should be made at all job levels.

(1) Numerical goals for Section 3 covered public and Indian housing programs. Recipients of Section 3 covered public and Indian housing assistance (as described in 135.5) and their contractors and subcontractors may demonstrate compliance with this part by committing to employ Section 3 residents as:

(i) 10 percent of the aggregate number of new hires for the one year period beginning in FY 1995;

(ii) 20 percent of the aggregate number of new hires for the one period beginning in FY 1996;

(iii) 30 percent of the aggregate number of new hires for one year period beginning in FY 1997 and continuing thereafter.
(2) Numerical goals for other HUD programs covered by Section 3.  (i) Recipients of Section 3 covered housing assistance provided under other HUD programs, and their contractors and subcontractors (unless the contract or subcontract awards do not meet the threshold specified in 135.3(a)(3)) may demonstrate compliance with this part by committing to employ Section 3 residents as 10 percent of the aggregate number of new hires for each year over the duration of the Section 3 project;

(ii) Where a managing general partner or management agent is affiliated, in a given metropolitan area, with recipients of Section 3 covered housing assistance, for an aggregate of 500 or more units in any fiscal year, the managing partner or management agent may demonstrate compliance with this part by committing to employ Section 3 residents as:

(A) 10 percent of the aggregate number of new hires for the one year period beginning in FY 1995;

(B) 20 percent of the aggregate number of new hires for the one year period beginning in FY 1996;

(C) 30 percent of the aggregate number of new hires for the one year period beginning in FY 1997, and continuing thereafter.

(3) Recipients of Section 3 covered community development assistance, and their contractors and subcontractors (unless the contract or subcontract awards do not meet the threshold specified in 135.3(a)(3)) may demonstrate compliance with the requirements of this part by committing to employ Section 3 residents as:

(i) 10 percent of the aggregate number of new hires for the one year period beginning in FY 1995;

(ii) 20 percent of the aggregate number of new hires for the one year period beginning in FY 1996; and

(iii) 30 percent of the aggregate number of new hires for the one year period beginning in FY 1997 and continuing thereafter.

(c) Contracts. Numerical goals set forth in paragraph (c) of this section apply to contracts awarded in connection with all Section 3 covered projects and Section 3 covered activities. Each recipient and contractor and subcontractor (unless the contract or subcontract awards do not meet the threshold specified in 135.3(a)(3)) may demonstrate compliance with the requirements of this part by committing to award to Section 3 Businesses:

(1) At least 10 percent of the total dollar amount of all Section 3 covered contracts for building trades work for maintenance, repair, modernization or development of public or Indian housing, or for building trades work arising in
connection with housing rehabilitation, housing construction and other public construction; and

(2) At least three (3) percent of the total dollar amount of all other Section 3 covered contracts.

(d) **Safe harbor and compliance determinations.**

(1) In the absence of evidence to the contrary, a recipient that meets the minimum numerical goals set forth in this section will be considered to have complied with the Section 3 preference requirements.

(2) In evaluating compliance under subpart D of this part, a recipient that has not met the numerical goals set forth in this section has the burden of demonstrating why it was not feasible to meet the numerical goals set forth in this section. Such justification may include impediments encountered despite actions taken. A recipient or contractor also can indicate other economic opportunities, such as those listed in 135.40, which were provided in its efforts to comply with Section 3 and the requirements of this part.

**DEFINITIONS**

**New Hires** — full-time employees for permanent, temporary or seasonal employment opportunities

**Section 3 Covered Assistance** — Assistance provided under any HUD community development program that is expended for work arising in connection with employment, housing rehabilitation, construction, or other public construction project (which includes other buildings or improvements, regardless of ownership).

**Section 3 Covered Contracts** — a contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of Section 3 covered assistance, or for work arising in connection with a Section 3 covered project.

Section 3 covered contracts do not include contracts awarded under HUD’s procurement program, which are governed by the Federal Acquisition Regulation (FAR). Section 3 covered contracts also do not include contracts for the purchase of supplies and materials. However, whenever a contract for materials includes the installation of the materials, the contract constitutes a Section 3 covered contract.

**Section 3 Covered Project** — the construction, reconstruction, conversion or rehabilitation of housing (including reduction and abatement of lead-based paint hazards), other public construction which includes buildings or improvements (regardless of ownership) assisted with housing or community development assistance.
Language required in contracts covered by Section 3.

The employment opportunities for businesses and lower-income persons described in 24 C.F.R. Part 135, including requiring each of its subcontractors carrying out work in connection with the [Project or Contract] to comply with, in particular, the assurances set forth at 24 C.F.R. §135.38:

1. The work to be performed under the [contract or loan agreement] is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (“Section 3”). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing;

2. The Borrower will comply with HUD's regulations in 24 C.F.R. part 135, which implement Section 3. As evidenced by their execution of the Loan Agreement, the parties to the Loan Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations;

3. The Borrower will send to each labor organization or representative of workers with which the Borrower has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Borrower's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin;

4. The Borrower will include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. part 135. The Borrower will not subcontract with any subcontractor where the Borrower has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. part 135;

5. The Borrower will certify that any vacant employment positions, including training positions, that are filled (1) after the Borrower is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. part 135 require
employment opportunities to be directed, were not filled to circumvent the Borrower's obligations under 24 C.F.R. part 135;

6. Noncompliance with HUD's regulations in 24 C.F.R. part 135 may result in sanctions, termination of the Loan Agreement for default, and debarment or suspension from future HUD assisted contracts; and

7. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under the Loan Agreement. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to the Loan Agreement that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).
Section 3 Contractor Certification (2012)

The work to be performed for ______________ or its General Contractor is subject to Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 170lu, hereafter called “Section 3.”

Section 3 requires that, to the greatest extent feasible, opportunities for training and employment are given to low- or moderate-income residents residing in the project area (Travis County) and that a percentage of contracts or subcontracts for work in connection with the project are awarded to “Section 3” businesses located in the project area.

- You or your employees are considered “Section 3” residents if: 1) residing in Travis County and having an annual household income equal to or less than the amounts shown in the table below; OR 2) currently living in public housing.

<table>
<thead>
<tr>
<th>Number of Persons In Household</th>
<th>1</th>
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<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Household Income</td>
<td>$42,500</td>
<td>$48,600</td>
<td>$54,650</td>
<td>$60,700</td>
<td>$65,600</td>
<td>$70,450</td>
<td>$75,300</td>
<td>$80,150</td>
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</tbody>
</table>

- A “Section 3” business is a business owned 51% or more by “Section 3” residents.

After considering the above information, please complete the following:

This is to certify that ____________________________ (Business Name)

(check one)

- ...is a “Section 3” Business (which means 51 percent or more owned by “Section 3” residents)
- ...employs “Section 3” residents (which means that 30% of your full-time employees are currently “Section 3” residents, or who were “Section 3” residents within three years of the date of first employment with your business)
- ...has a commitment to subcontract more than 25% of the dollar amount of all subcontracts to “Section 3” businesses.

__________________________  ____________________________  ____________
Signature                  Title                              Date
City of Austin

Neighborhood Housing and Community Development
P.O. Box 1088, Austin, TX 78767
(512) 974-3100, Fax: (512) 974-3112
www.austintexas.gov/housing

Project Name: ____________________________ Prime Contractor: ____________________________

Subcontractor Name: ____________________________ A Section 3-qualified business? □ Yes □ No

Report for the Calendar Month of: ____________________________

<table>
<thead>
<tr>
<th>Job Category</th>
<th>Total New Hires</th>
<th>White</th>
<th>Black</th>
<th>Hispanic</th>
<th>Native American</th>
<th>Asian/Pacific American</th>
<th>Hasidic Jews</th>
</tr>
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<tbody>
<tr>
<td>Professionals</td>
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<td>Technicians</td>
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<td>Office/Clerical</td>
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<td>Const. by Trade:</td>
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</tbody>
</table>

Please indicate how this business made low-income people and/or public housing residents aware of job opportunities.

□ Local advertising, signs at project site, through community organizations, etc
□ Participated in program that promotes training/employment of Section 3 residents
□ Participated in program that promotes the award of contracts to Section 3 businesses
□ Coordinated with Youthbuild programs
□ Other: ____________________________

Company Official’s Signature ____________________________ Title ____________________________ Date ____________________________

* A Section 3 Resident is a low or very low income person (at or below 80% MFI), who live in the metropolitan area or non-metropolitan county where a HUD-assisted project for housing or community development is located or

* A resident of public housing

VII-16
APPENDIX VIII: Analysis of Impediments to Fair Housing (2009)
Fair Housing Analysis

Introduction

This section contains an update to the analysis of impediments to fair housing choice in Austin. This includes analysis of the following:

- Home Mortgage Disclosure Act (HMDA) data that highlight fair lending concerns;
- Legal cases and actions within Austin and other Texas communities related to fair housing;
- Fair housing complaint process;
- Citizen input about fair housing issues;
- Rental and housing affordability; and,
- A City policy and procedure review, which primarily includes input from affordable housing developers.

Analysis of Impediments Background

This section is the Analysis of Impediments to Fair Housing Choice (AI) for the City of Austin. The AI is a U.S. Department of Housing and Urban Development (HUD) mandated review of impediments to fair housing choice in the public and private sector. The AI is required for the City of Austin to receive federal housing and community development block grant funding.¹

The AI involves:

- A review of a City’s laws, regulations, and administrative policies, procedures and practices;
- An assessment of how those laws, policies and practices affect the location, availability and accessibility of housing; and
- An assessment of public and private sector conditions affecting fair housing choice.

According to HUD, impediments to fair housing choice are:

- Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status or national origin that restrict housing choices or the availability of housing choices.
- Any actions, omissions or decisions that have the effect of restricting housing choices or the availability of housing choices on the basis of race, color, religion, sex, disability, familial status or national origin.

¹ The City is also required to submit a Consolidated Plan for Housing and Community Development and an annual performance report to receive funding each year.
Although the AI itself is not directly approved or denied by HUD, its submission is a required component of a City’s or state’s Consolidated Plan for Housing and Community Development (Consolidated Plan) performance reporting. HUD desires that AIs:

- Serve as the substantive, logical basis for fair housing planning;
- Provide essential and detailed information to policy makers, administrative staff, housing providers, lenders, and fair housing advocates; and
- Assist in building public support for fair housing efforts both within a City’s boundaries and beyond.

**Fair Housing Act**

The Federal Fair Housing Act, passed in 1968 and amended in 1988, prohibits discrimination in housing on the basis of race, color, national origin, religion, gender/sex, familial status and disability. The Fair Housing Act covers most types of housing including rental housing, home sales, mortgage and home improvement lending, and land use and zoning. Excluded from the Act are owner-occupied buildings with no more than four units, single family housing units sold or rented without the use of a real estate agent or broker, housing operated by organizations and private clubs that limit occupancy to members, and housing for older persons.

HUD has the primary authority for enforcing the Federal Fair Housing Act. HUD investigates the complaints it receives and determines if there is a “reasonable cause” to believe that discrimination occurred. If reasonable cause is established, HUD brings the complaint before an Administrative Law Judge. Parties to the action can also elect to have the trial held in a federal court (in which case the Department of Justice brings the claim on behalf of the plaintiff).3

**Local fair housing ordinance.** The City of Austin has adopted a local fair housing ordinance with protections that essentially mirror the Federal Fair Housing Act. In addition, Austin also protects residents against housing discrimination based on their sexual orientation, gender identity and student status.

**Community profile.** The socioeconomic analysis for the AI was completed in conjunction with that required for the Consolidated Plan. The community profile includes maps showing geographic distributions of households by race and ethnicity and income. In general, minorities and low income residents live in east and southeast Austin. Please refer to the Community profile for information on Austin’s community profile in Section 2.

**Fair Lending Analysis**

Community Reinvestment Act (CRA) ratings and Home Mortgage Disclosure Act (HMDA) data are commonly used in AIs to examine fair lending practices within a jurisdiction. Fair housing complaint data are important to pinpoint the types of discrimination that are most

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3 Ibid.
prevalent and detect improvements or deterioration in fair housing conditions. Used in conjunction, these data sets can identify and then diagnose the reason for potential or existing housing discrimination. Each data set is reviewed in the following text.

**CRA review.** The Federal CRA requires that financial institutions progressively seek to enhance community development within the area they serve. On a regular basis, financial institutions submit information about mortgage loan applications as well as materials documenting their community development activity. The records are reviewed as part of CRA examinations to determine if the institution satisfied CRA requirements. The assessment includes a review of records as related to the following:

- Commitment to evaluating and servicing community credit needs;
- Offering and marketing various credit programs;
- Record of opening and closing of offices;
- Discrimination and other illegal credit practices; and
- Community development initiatives.

The data are evaluated and a rating for each institution is determined. Ratings for institutions range from substantial noncompliance in meeting credit needs to an outstanding record of meeting a community’s credit needs.

Of the 6 Austin banks where CRA examinations were conducted since 2004, all had ratings of “satisfactory.”

**HMDA data analysis.** The best source of analysis of mortgage lending discrimination is Home Mortgage Disclosure Act, or HMDA, data. HMDA data consist of information about mortgage loan applications for financial institutions, savings banks, credit unions, and some mortgage companies. The data contain information about the location, dollar amount, and types of loans made, as well as racial and ethnic information, income, and credit characteristics of all loan applicants. The data are available for home purchases, loan refinances, and home improvement loans.

HMDA data provides how banks handle the mortgage lending process, as well as how applicants fare within the process. These data can be used to identify areas of potential concern that may warrant further investigations. For example, by comparing loan approval rates of minority applicants with non-minorities who have similar income and credit characteristics, areas of potential discrimination may be detected.

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4 Community Reinvestment Act (CRA) Performance Ratings: http://www2.fdic.gov/crapes/.

5 Financial institutions are required to report HMDA data if they have assets of more than $32 million, have a branch office in a metropolitan area, and originated at least one home purchase or refinance loan in the reporting calendar year. Mortgage companies are required to report HMDA if they are for-profit institutions, had home purchase loan originations exceeding 10 percent of all loan obligations in the past year, are located in an MSA (or originated five or more home purchase loans in an MSA) and either had more than $10 million in assets or made at least 100 home purchase or refinance loans in the calendar year.
The Federal Reserve is the primary regulator of compliance with fair lending regulations. When federal regulators examine financial institutions, they use HMDA data to determine if applicants of a certain gender, race, or ethnicity are rejected at statistically significant higher rates than applicants with other characteristics. The Federal Reserve uses a combination of sophisticated statistical modeling and loan file sampling and review to detect lending discrimination. Recently, the Federal Reserve began requiring banks to provide the rate spread above a certain annual percentage rate (APR) data for subprime loans. As such, HMDA data can now be used to examine differences in subprime pricing among borrowers of various races and ethnicities.

This analysis is twofold. It analyzes two types of 2007 loan data:

- Loans applications submitted to banks with their home office in Austin from residents of Austin and from residents not from Austin. This analysis is an examination of the performance of Austin-based banks; and
- Loans applied for by residents of Travis County, which serves as a geographic proxy for the City of Austin.\(^6\) This helps determine how Austin-area residents fared when applying for loans, both with banks in Austin and elsewhere in the U.S.

This analysis approach helps determine whether local banks are more or less likely to favor local and/or non-local applicants. Additionally, it helps determine whether Austin-area residents have difficulty obtaining mortgages from both local and non-local banks.

Types of loans

- **Austin Banks.** Of the over 65,000 loan applications submitted to Austin-based banks, 78 percent of them were for conventional loan products. An additional 17 percent of loans were for FHA-insured products and the remaining portion of the loans were for VA-guaranteed loans. Eighty-four percent of loans applied for with Austin banks were for home purchases. Thirteen percent of loans were refinances and the remaining loans were for home improvement projects.

- **Residents.** Sixty-six percent of loans applied for by Travis County residents were for home purchases, and an additional 27 percent of loans were refinances of existing loans. The remaining loans applications were for home improvements.

Conventional loan products comprised a vast majority of the loans applied for by Travis County residents (93 percent).

Race/ethnicity of loan applicants

- **Austin Banks.** Loan applicants of Austin-based banks were primarily white (74 percent), followed by African American (9 percent) and Asian (6 percent). Ten percent of applicants did not provide racial information.

\(^6\) Raw data for the Loan Application Register (LAR) is only available on a country-level. Institutional data is available on a City level.
Seventy-five percent of applicants ethnically identified themselves as non-Hispanic and 16 percent identified themselves Hispanic. The remaining applicants did not provide ethnic information.

- **Residents.** Sixty-five percent of Travis County residents applying for loans were white, followed by Asian (5 percent) and African American (4 percent). Racial data was either not reported or deemed not applicable for 25 percent of Travis County applicants.

Sixty-one percent of residents applying for mortgages considered themselves non-Hispanic, while 15 percent were Hispanic. The remaining applicants did not report information on ethnicity.

**Loan amounts**

- **Austin Banks.** In 2007, the average loan amount applied for with an Austin-based bank was $204,000. Loan amounts varied by race. Asian applicants had the highest average loan amount of $232,000. White applicants had an average loan amount of $185,000, and African American had an average loan amount of $163,000.

  The difference in the average loan amount for non-Hispanic and Hispanic applicants was small; the average loan amount for non-Hispanic applicants was $188,000 and $171,000 for Hispanic applicants.

- **Residents.** The overall average loan amount for Travis County applicants was $179,000. Loan amounts varied little by race for residents of Travis County. The average loan amount for white applicants was $175,000, as compared to $167,000 for Asian applicants and $133,000 for African American applicants. The highest loan average was $242,000, which was for applicants whose race was considered “not applicable”. Race data is deemed “not applicable” when the reporting institution purchased a loan and the racial data was unavailable.

  The loan amount did vary by ethnicity for Travis county loan seekers. Loans for non-Hispanic residents averaged $182,000 in 2007, as compared to $123,000 for Hispanic residents.

**Disposition of loans**

- **Austin Banks.** Forty-eight percent of loans applied for at Austin-based banks originated. One of every 3 loans applied for at an Austin bank was purchased from another institution. Additionally, seven percent of loans were withdrawn by the applicant after submission, and 7 percent of applications were denied. Five percent of applications were approved by the bank, but were not accepted by the applicant.

  The outcome of loan applications varied by race and ethnicity. Exhibit II-1 on the following page displays the action taken on the loan by race and ethnicity by Austin lending institutions in 2007. Although white applicants had a relatively low denial rate, they also had one of the lowest loan origination rates. Overall, thirty-five percent of loans purchased from another institution were from white applicants. The highest denial
rates were given to American Indians, which contain a very small proportion of overall applications, and African Americans.

**Exhibit II-1**
*Action Taken on Loan by Race/Ethnicity, Austin Lending Institutions, 2007*

<table>
<thead>
<tr>
<th></th>
<th>Approved/Not Accepted</th>
<th>Denied</th>
<th>Application Withdrawn by Applicant</th>
<th>Incomplete</th>
<th>Originated</th>
<th>Loan Purchased</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Race</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>American Indian or Alaska Native</td>
<td>5%</td>
<td>13%</td>
<td>10%</td>
<td>0%</td>
<td>59%</td>
<td>14%</td>
</tr>
<tr>
<td>Asian</td>
<td>6%</td>
<td>7%</td>
<td>10%</td>
<td>1%</td>
<td>55%</td>
<td>21%</td>
</tr>
<tr>
<td>Black or African American</td>
<td>5%</td>
<td>11%</td>
<td>5%</td>
<td>1%</td>
<td>53%</td>
<td>25%</td>
</tr>
<tr>
<td>Information not provided</td>
<td>5%</td>
<td>11%</td>
<td>9%</td>
<td>1%</td>
<td>38%</td>
<td>37%</td>
</tr>
<tr>
<td>Native Hawaiian or Other</td>
<td>5%</td>
<td>7%</td>
<td>9%</td>
<td>1%</td>
<td>59%</td>
<td>19%</td>
</tr>
<tr>
<td>Not applicable</td>
<td>0%</td>
<td>2%</td>
<td>0%</td>
<td>0%</td>
<td>96%</td>
<td>2%</td>
</tr>
<tr>
<td>White</td>
<td>5%</td>
<td>6%</td>
<td>7%</td>
<td>1%</td>
<td>48%</td>
<td>35%</td>
</tr>
<tr>
<td><strong>Ethnicity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hispanic or Latino</td>
<td>6%</td>
<td>12%</td>
<td>8%</td>
<td>1%</td>
<td>51%</td>
<td>22%</td>
</tr>
<tr>
<td>Information not provided</td>
<td>4%</td>
<td>11%</td>
<td>9%</td>
<td>0%</td>
<td>34%</td>
<td>41%</td>
</tr>
<tr>
<td>Not applicable</td>
<td>0%</td>
<td>3%</td>
<td>2%</td>
<td>0%</td>
<td>93%</td>
<td>2%</td>
</tr>
<tr>
<td>Not Hispanic or Latino</td>
<td>4%</td>
<td>5%</td>
<td>7%</td>
<td>1%</td>
<td>49%</td>
<td>34%</td>
</tr>
</tbody>
</table>


- **Residents.** Overall, residents of Travis County applying for a mortgages found the following results:
  - 42 percent of loan applications of Travis County residents were approved;
  - 1 in 4 applications were purchased by the bank receiving the application; and
  - 16 percent of applications were denied.

African Americans experienced higher levels of denial than the overall Travis County population, as nearly 1 in every 3 African American applicant was denied. An additional 33 percent of African American applications originated.
### Exhibit II-2.
**Action Taken on Loan by Race/Ethnicity, Travis County Resident Loan Applications, 2007**

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Approved/Not Accepted</th>
<th>Application Withdrawn by Applicant</th>
<th>Incomplete</th>
<th>Originated</th>
<th>Loan Purchased</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Indian or Alaska Native</td>
<td>6%</td>
<td>37%</td>
<td>10%</td>
<td>4%</td>
<td>32%</td>
</tr>
<tr>
<td>Asian</td>
<td>8%</td>
<td>15%</td>
<td>6%</td>
<td>2%</td>
<td>48%</td>
</tr>
<tr>
<td>Black or African American</td>
<td>5%</td>
<td>34%</td>
<td>13%</td>
<td>3%</td>
<td>33%</td>
</tr>
<tr>
<td>Information not provided</td>
<td>7%</td>
<td>22%</td>
<td>15%</td>
<td>4%</td>
<td>39%</td>
</tr>
<tr>
<td>Native Hawaiian or Other</td>
<td>9%</td>
<td>26%</td>
<td>9%</td>
<td>3%</td>
<td>39%</td>
</tr>
<tr>
<td>Not applicable</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>3%</td>
</tr>
<tr>
<td>White</td>
<td>7%</td>
<td>15%</td>
<td>8%</td>
<td>2%</td>
<td>50%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Approved/Not Accepted</th>
<th>Application Withdrawn by Applicant</th>
<th>Incomplete</th>
<th>Originated</th>
<th>Loan Purchased</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hispanic or Latino</td>
<td>6%</td>
<td>26%</td>
<td>10%</td>
<td>3%</td>
<td>40%</td>
</tr>
<tr>
<td>Information not provided</td>
<td>7%</td>
<td>20%</td>
<td>14%</td>
<td>4%</td>
<td>38%</td>
</tr>
<tr>
<td>Not applicable</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>3%</td>
</tr>
<tr>
<td>Not Hispanic or Latino</td>
<td>7%</td>
<td>15%</td>
<td>8%</td>
<td>2%</td>
<td>50%</td>
</tr>
</tbody>
</table>


### Application denial – Why are loan applications denied?

- **Austin Banks.** Austin-based banks primarily denied loan applications due to poor applicant credit history and a bad debt-to-income ratio.

- **Residents.** The rationale for denying loan applications of Travis County residents was more diverse. Thirty percent of denials were because the applicant had a poor credit history. A poor debt-to-income ratio, little collateral, an incomplete application, and reasons categorized as “other” equally comprised the remaining reasons for loan denial.

Exhibit II-3 provides the overall denial for both Austin-based banks and residents of Travis County.

### Exhibit II-3.
**Overall Application Denial Rates by Reasons for Denial**

<table>
<thead>
<tr>
<th>Banks</th>
<th>Number</th>
<th>Percent</th>
<th>Travis County Residents</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collateral</td>
<td>121</td>
<td>3%</td>
<td>Collateral</td>
<td>1,467</td>
<td>16%</td>
</tr>
<tr>
<td>Credit application incomplete</td>
<td>95</td>
<td>3%</td>
<td>Credit application incomplete</td>
<td>1,114</td>
<td>12%</td>
</tr>
<tr>
<td>Credit history</td>
<td>1,354</td>
<td>38%</td>
<td>Credit history</td>
<td>2,924</td>
<td>31%</td>
</tr>
<tr>
<td>Debt-to-income ratio</td>
<td>1,109</td>
<td>31%</td>
<td>Debt-to-income ratio</td>
<td>1,456</td>
<td>15%</td>
</tr>
<tr>
<td>Employment history</td>
<td>170</td>
<td>5%</td>
<td>Employment history</td>
<td>170</td>
<td>2%</td>
</tr>
<tr>
<td>Insufficient cash</td>
<td>151</td>
<td>4%</td>
<td>Insufficient cash</td>
<td>170</td>
<td>2%</td>
</tr>
<tr>
<td>Mortgage insurance denied</td>
<td>5</td>
<td>0%</td>
<td>Mortgage insurance denied</td>
<td>12</td>
<td>0%</td>
</tr>
<tr>
<td>Other</td>
<td>352</td>
<td>10%</td>
<td>Other</td>
<td>1,559</td>
<td>16%</td>
</tr>
<tr>
<td>Unverifiable information</td>
<td>224</td>
<td>6%</td>
<td>Unverifiable information</td>
<td>585</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,581</strong></td>
<td><strong>100%</strong></td>
<td><strong>Total</strong></td>
<td><strong>9,457</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Application denial – Who is getting denied?

Potential racial or ethnic lending discrimination becomes more apparent as applicants earn higher incomes. It is assumed that the greater the income, the less likely an applicant is to have a poor credit score or a poor debt-to-income ratio, which are both prevalent reasons for loan denial. Thus, this analysis considers the distribution of loan denials for applicants earning greater than $103,000, or 150 percent of HUD’s Median Family Income (MFI) of $69,100 to determine whether a certain racial or ethnic group has experienced higher denial rates.

- **Austin Banks.** Loan denials of Austin-based banks disproportionately favored non-white applicants. For example, Asians applicants attributed to 8 percent of all applicants earning greater than $103,000. However, Asian applicants represented 14 percent of all loan denials of applicants earning $103,000 or more. White applicants accounted for 74 percent of applicants earning 150 percent of the MFI or more, yet accounted for 60 percent of the denials.

  The disparity of denials by Austin-based banks was more pronounced when examined by ethnicity. Hispanic applicants accounted for 9 percent of high-earning applicants. However, 19 percent of denials of high-income applicants were for Hispanic applicants.

- **Residents.** For Travis County applicants, the disparities in loan denial by race and ethnicity became slightly more common once the applicant incomes rose to 150 percent of the AMI, or, greater than $103,000. Although African Americans contributed to 2 percent of total applications, they contributed to 4 percent of loan denials by race. White applicants contributed to 72 percent of Travis County applicants earning $103,000 or more, but accounted for only 69 percent of denials.

  Similarly, Hispanic applicants accounted for 7 percent of total applicants earning 150 percent or more of the AMI. However, they accounted for 11 percent of the overall number of applicants.

Application denial – Is loan denial geographically concentrated?

- **Residents.** Application denials for residents of Travis County were much higher in the eastern and southeastern neighborhoods. Census Tracts falling within Franklin Park, McKinney, Riverside, Govalle and MLK-183 saw denial rates of 30 percent or more. Exhibit II-4 displays loan denials by Census Tract. These portions of Austin have higher concentrations of African American and Hispanic residents.
Foreclosures, Subprime Lending and Predatory Lending

Related to the rise in foreclosures is a growing concern about predatory and subprime lending. This section explores these issues in Austin.

*Foreclosures.* Overall, Austin has not been plagued with the volume of foreclosures that cities like Denver, Las Vegas and Phoenix have experienced. Rather, foreclosures in Austin have been very geographically specific. Far east and south Austin neighborhoods contain the highest levels of foreclosures within the City, indicating the correlation in Austin between low income households and foreclosures. Exhibit II-5 displays the percentage of foreclosures by Census Tract.
Subprime Lending and Predatory Lending. One of the fastest growing segments of the home mortgage industry is subprime lending. From 1994 through 2003, subprime mortgage activity grew an average of 25 percent per year and accounted for $330 billion of U.S. mortgages in 2003, up from $35 billion a decade earlier. Subprime loans are marketed and sold to customers with blemished or limited credit histories who would typically not qualify for prime loans. Consequently, the rate of interest charged for each subprime loan is generally higher than that of a comparable prime loan, due to increased credit risk. When lenders analyze potential borrowers solely by their credit score, those with scores below 620 are viewed as higher-risk and are typically denied prime loans. However, almost half of subprime mortgage borrowers have credit scores above this threshold, indicating that even a good credit score does not ensure prime loan status.

The rapid growth in popularity of subprime lending has brought increased scrutiny to the industry, resulting in two disparate views of the practice. On the one hand, subprime loans give individuals and families an opportunity for homeownership that they might not have had in the past. Some primarily credit the nearly 9-million-household increase in...
homeownership during the past decade to the rise of subprime loans. On the other hand, the higher rates of interest charged on subprime loans lead to higher rates of foreclosure and serious delinquency. For example, for mortgage loans outstanding at the end of 2003, 1 percent of prime loans were seriously delinquent, compared with 7 percent of subprime loans. In addition, opponents of subprime lending emphasize that subprime borrowers are disproportionately of minority status, of lower income, and are less well educated than prime borrowers, indicating possible targeting of those less likely to fully understand the risks associated with a subprime loan. Fannie Mae CEO Franklin Raines captured this dilemma quite accurately in a recent speech: “Done right, subprime lending provides an important source of mortgage financing for families with imperfect financial or credit histories. Done wrong, subprime lending is a huge rip-off that siphons wealth—and hope—from people who have very little to begin with.”

Of the approximately 35,750 loans that originated for Travis County residents, 12 percent of those loans were considered subprime loans.

There is no one definition that sums up the various activities that comprise predatory lending. In general, predatory loans are those in which borrowers are faced with payment structures and/or penalties that are excessive and which set up the borrowers to fail in making their required payments. Subprime loans could be considered as predatory if they do not accurately reflect a risk inherent in a particular borrower.

It is difficult to identify and measure the amount of predatory lending activity in a market, largely because the industry is unregulated. In addition, predatory activity is difficult to uncover until a borrower seeks help and/or recognizes a problem in their loan. Because it is difficult to determine who is targeted for predatory lending, analysis of those receiving subprime loans provides more insight into demographics potentially more susceptible to predatory lending.

Travis County African American residents are more likely to receive subprime loans than other racial groups. African Americans applications comprised 3 percent of all loan originations, but represented 8 percent of applicants holding subprime loans.
Hispanics were also far more likely to receive a subprime loan than non-Hispanic applicants. Hispanic applicants comprised 60 percent of all approved loans; however, Hispanic applicants held 73 percent of subprime loans.

Exhibit II-6.
Race and Ethnicity of Subprime loan applicants, Travis Count, 2007

<table>
<thead>
<tr>
<th>Race</th>
<th>Count of Subprime</th>
<th>Percent of Subprime</th>
<th>Count of All Applications</th>
<th>Percent of All Applications</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Indian or Alaska Native</td>
<td>39</td>
<td>1%</td>
<td>160</td>
<td>0%</td>
</tr>
<tr>
<td>Asian American</td>
<td>144</td>
<td>3%</td>
<td>1,941</td>
<td>5%</td>
</tr>
<tr>
<td>Black or African American</td>
<td>326</td>
<td>8%</td>
<td>1,245</td>
<td>3%</td>
</tr>
<tr>
<td>Information not provided</td>
<td>592</td>
<td>14%</td>
<td>4,667</td>
<td>13%</td>
</tr>
<tr>
<td>Native Hawaiian or Other</td>
<td>14</td>
<td>0%</td>
<td>108</td>
<td>0%</td>
</tr>
<tr>
<td>Not applicable</td>
<td>7</td>
<td>0%</td>
<td>240</td>
<td>1%</td>
</tr>
<tr>
<td>White</td>
<td>3,086</td>
<td>73%</td>
<td>27,389</td>
<td>77%</td>
</tr>
<tr>
<td>Total</td>
<td>4,208</td>
<td>100%</td>
<td>35,750</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Count of Subprime</th>
<th>Percent of Subprime</th>
<th>Count of All Applications</th>
<th>Percent of All Applications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hispanic or Latino</td>
<td>1,161</td>
<td>28%</td>
<td>5,048</td>
<td>14%</td>
</tr>
<tr>
<td>Information not provided</td>
<td>518</td>
<td>12%</td>
<td>4,259</td>
<td>12%</td>
</tr>
<tr>
<td>Not applicable</td>
<td>7</td>
<td>0%</td>
<td>251</td>
<td>1%</td>
</tr>
<tr>
<td>Not Hispanic or Latino</td>
<td>2,522</td>
<td>60%</td>
<td>26,192</td>
<td>73%</td>
</tr>
<tr>
<td>Total</td>
<td>4,208</td>
<td>100%</td>
<td>35,750</td>
<td>100%</td>
</tr>
</tbody>
</table>


Examining the demographic composition of subprime mortgage recipients does not consider credit worthiness, such as credit score or existing debt levels. Therefore, one cannot automatically assume that certain racial or ethnic groups have been unjustifiably offered subprime mortgages.

Differences in average household income do explain some of the prevalence in subprime loans among African American and Hispanic applicants. However, as noted earlier, even when income is normalized across racial and ethnic groups, loan denial is still higher for non-white applicants.

African American subprime recipients in Travis County have an average income of $87,000, as compared with an average household income of $115,000 white subprime mortgage holders. Non-Hispanic applicants with subprime loans had an average annual income of $128,000 and Hispanic subprime loan recipients had an average $86,000.

Legal Cases

As part of the fair housing analysis, legal cases involving fair housing issues were reviewed to determine significant fair housing issues and trends in Austin (MSA). Case searches were completed using the National Fair Housing Advocate’s case database and the U.S. Department of Justice’s fair housing database.

The legal cases presented in the databases include those that involved a court decision and have been reported to legal reporting services. (Open or ongoing cases would not be
represented unless a prior court decision on the case has been made.) Additionally, disputes that are settled through mediation are not included in the reported cases.

The cases summarized below highlight recent fair housing issues that have been brought to court. Not all cases occurred within the City of Austin, but all did occur within Texas. Summary information on all cases is included to highlight recent trends and primary issues in fair housing litigation in the metro area. Cases are divided into the following categories: land use, lending, reasonable accommodations and disabilities and race-based discrimination.

**Land use**

*Lund v. Leibl (1999).* The Lunds and the Leibels owned two of three lots within the Bishop’s Bend Subdivision. Usage of the lots within the subdivision is limited by a number of deed restrictions, such as using the property for single family residential usage and complying with a number of other building requirements, such as dwelling size and other exterior facade standards. The Lunds own and operate Westlake Assisted Living (WAL), L.L.C. on their property within Bishop’s Bend.

A lawsuit was brought upon the Lunds and WAL by the Leibels, seeking an injunction to cease construction of the WAL, as well as on using the property as an assisted-living facility. A reverse lawsuit was filed by the Lunds, citing that the injunction discriminated against the elderly, thereby violating the Fair Housing Act.

The despite expert witnesses testifying that the assisted living facility was both in defiance of the single family deed restriction and would negatively affect home values within the subdivision, the Fair Housing Act “trumped” the single family deed restriction in place at the subdivision, therefore making the injunction improper. However, when asked to prove that the facility would specifically serve residents with handicaps, the Lunds could only prove the facility would be for elderly residents and would specifically address the care associated with older age. Thus, as a result, construction on the facility was not completed, nor was the assisted living facility opened. However, this was not because abidance of the Fair Housing Act was deemed less important than land use codes, but rather, the inability of the Lunds to prove that the facility would directly serve residents with disabilities.

**Lending**

*United States v. Security State Bank (1995).* The complaint alleged that Hispanic loan applicants were receiving higher interest rates on loans than non-Hispanic applicants. As a result of this lawsuit, the bank created a $500,000 fund to compensate victims.

**Reasonable accommodations/disabilities cases**

*United States v. JPI Apartment Construction, L.P., et al. (2009).* On March 4, 2009, the United States filed a pattern or practice complaint in United States v. JPI Apartment Construction, L.P., et al. (N.D. Tex.). The complaint alleges that JPI failed to comply with the design and construction requirements of the Fair Housing Act (FHA) and ADA in the design and
construction of two multi-family housing complexes in Texas and some of JPI’s other 205 nationwide multi-family properties.  

*United States v. Air Park* (2008). The complaint alleges that the members of the zoning committee and property owners of Air Park Estates, in Collin County, Texas, violated the Fair Housing Act by refusing to allow the complainant to keep a footbridge in front of her house. The complainant, who has a mobility disability, needs to use the bridge to reach the street without risk of injury.  

*United States v. SDC Legend Communities, Inc., et al.* (2006). This case was brought against architects, engineers, developers, builders and owners of two multi-family residential complexes in Austin financed through Low Income Housing Tax Credits (LIHTC), citing disability discrimination.

The order provides for retrofits of routes, entrances, and public and common-use areas, as well as interior retrofits in certain units and installation of enhanced accessibility features in others. The order also requires the defendants to establish a $50,000 fund which will be used to compensate individuals harmed by the inaccessible housing and to pay $10,000 in civil penalties to the government. The order also provides for injunctive relief, training, reporting and record keeping. The consent order will remain in effect for three years.  

*United States v. Hous. Auth. of the City of San Antonio, et al.* (2006). The complaint arose after the Mr. Maldanados, a double leg amputee who uses a wheelchair, and his wife, also disabled, asked to be moved from a third floor unit to a first floor unit and were denied, despite having first floor units available. The defendants were eventually moved to a first floor unit and were paid $125,000 in damages and attorney fees. The $125,000 also assisted a fair housing organization that aided the Maldonados to implement a reasonable accommodation policy and to attend fair housing training.  

**Race-based discrimination**  

*United States v. Silva* (2005). The complaint was made against the owners of 9 single family homes in Austin and San Antonio. It is believed that the defendants led Hispanics to believe that they were purchasing for sale properties. Instead, the tenants were entering into lease agreements for the properties. The 15 victims were awarded $103,651 in damages, $110,000 in civil penalties, and injunctive relief.  

**Fair Housing Complaint Process and Data**  

Two entities, the City of Austin Equal Employment and Fair Housing Office and the Austin Tenants Council (ATC) are responsible for receiving and investigating fair housing complaints within Austin.
In 2008, over half of all fair housing complaints in Austin were regarding disability status. Familial and racial discrimination were the next more prevalent types of fair housing concern experienced in Austin.

**City of Austin Equal Employment and Fair Housing Office.** The Equal Employment and Fair Housing Office is “empowered to investigate complaints of discrimination, which includes the collection of evidence to either prove or disprove discrimination that occurred.” This office is responsible for enforcing the City’s fair housing ordinance. When a complaint has been received, the office investigates the complaint to determine whether a formal complaint should be filed to HUD.

During the 2008 fiscal year, the City’s fair housing office received and investigated 100 complaints. Fifteen complaints resulted in filing complaints with HUD, 30 were conciliated and the remaining cases were determined to be no cause.

The complaints were distributed in the following way:

- 51 complaints were from residents because of a disability
- 30 complaints were because of racial discrimination
- 20 complaints were from residents because of discrimination of their familial status
- 8 complaints were because of national origin
- 8 complaints were because of gender discrimination

**Austin Tenants Council (ATC).** The ATC was founded in 1973 and became a recognized Fair Housing Initiatives Program (FHIP) in 1992. According to HUD, “fair housing organizations and other non-profits that receive funding through the Fair Housing Initiatives Program (FHIP) assist people who believe they have been victims of housing discrimination.” The ATC operates a number of programs, including a fair housing program (FHP) that “helps any person who has been discriminated against in the rental, sale, financing, or appraisal of housing.” More specifically, the FHP “documents and investigates complaints; provides advice about remedies under fair housing laws; and coordinates legal services to assist victims of housing discrimination.” The ATC is also very active in providing the community with fair housing information through seminars and presentations.

In addition to fair housing, the ATC also provides telephone and in-person counseling, as well as mediation services to assist low-income renters with threatening repairs or other emergencies.

For the 2008 project year, extending from January 15, 2008, through January 14, 2009, the ATC had a complaint goal of 300. They received 365 actual complaints. The complaints were distributed by the following types of complaints received:

---

10 [http://www.ci.austin.tx.us/hrights/](http://www.ci.austin.tx.us/hrights/)
11 [http://www.housing-rights.org/fairhousing.html](http://www.housing-rights.org/fairhousing.html)
- 54 percent (198) were complaints from individuals with disabilities;
- 30 percent (109) were complaints about discrimination for familial status;
- 7 percent (26) of complaints were discrimination against race; and
- the remaining complaints were with regards to national origin (14), gender (12), violation of City ordinances (5), and color (1).

Public Input

A stakeholder focus group was conducted with fair housing represented in Austin. Their input is summarized below. Additionally, in conjunction with the Austin Housing Market Study, a resident survey was completed, which asked residents about their experience with fair housing issues in Austin. Survey results also appear in this section.

Focus Group. A focus group of fair housing stakeholders was conducted in January of 2009 to discuss fair housing needs in Austin. Organizations represented at the focus group included the following (in alphabetical order):

- ADAPT
- Austin Apartment Association
- Austin Centers for Independent Living
- Austin Tenants Council
- Capstone Management
- Community Development Commission (CDC)
- Cypress International
- Family Eldercare
- Housing Authority of Travis County
- Human Rights Commission
- Mary Lee Foundation
- Mayor’s Committee for Disabled Persons
- Re-Entry Roundtable
- United Cerebral Palsy of Texas

The following were the primary concerns raised by attendees of the fair housing focus group: affordability; the prevalence of unlicensed service providers; and, the need for transitional housing for renters unable to meet renter qualifications. Overall, fair housing stakeholders felt that problems associated with fair housing were compounded by the overall lack of housing affordable to Austin’s extremely poor, which often consists of residents on fixed incomes. Thus, although some stakeholder concerns were not directly linked to fair housing, many problems faced by residents were their inability to find ample affordable housing opportunities.

Affordability. The overall lack of extremely affordable rental properties, particularly those that are accessible to people with disabilities and senior citizens, was the primary concern voiced by many focus group attendees. Affordability was often defined as units affordable to residents earning 30 percent or less than the MFI, which often includes people living on fixed income, such as Social Security.

The overall sentiment of the group is that the overall lack of affordability causes residents needing such units to settle for unfair treatments from property owners and accept potentially substandard living conditions to ensure that they are able to stay in the unit that have secured.
Unlicensed service providers. The group voiced concern over the prevalence of unlicensed group and boarding homes that provide housing and services for elderly individuals or disabled residents requiring help and additional services. Many homes accept social security payments directly, thereby stripping the resident of any sort of power from withholding rent and payments if service is substandard.

Although focus group participants did say that some homes, whether licensed or not, provide quality care and help fill a market niche, other facilities are very poor, which makes residents susceptible to abuse and exploitation.

Transitional housing. Although not directly linked to fair housing, stakeholders identified a need for assistance or additional housing opportunities for individuals with poor rental or credit history and criminal backgrounds. Stakeholders felt that renters in Austin should be given a second chance. Until credit is restored or criminal histories are cleared for residents, the City should help residents find housing. When the City doesn’t intervene for these subsets of the population, fair housing violations become more rampant as residents are forced into difficult housing situations.

In sum, the focus groups primary concerns centered on affordability. When residents struggle with finding affordable units that meet their needs, particularly with regards to accessibility, fair housing issues arise as residents tolerate unnecessary conditions to retain their current living situation.

Citizen Survey. In conjunction with a survey for the March 2009 Austin Comprehensive Housing Study, BBC, with the assistance of Davis Research, conducted two citizen survey efforts to understand more about the housing needs of Austinites and their experience with fair housing and housing discrimination issues within Austin:

- **Telephone survey.** Between mid-November and early December, Davis Research interviewed 484 residents in Austin. The interviews were conducted to obtain two samples of Austin residents: 1) Those earning less than $55,000 per year; and 2) All Austin residents. About 7 percent of the surveys were completed in Spanish; the rest were completed in English.

- **Online survey.** Between mid-November and mid-December, an online survey was available on the City of Austin’s Neighborhood Housing & Community Development website, which linked to a separate URL (www.cityofaustin.org/housing) that contained the survey. Respondents were able to complete and submit the 10 minute survey completely online. The survey was restricted to residents living within City boundaries and making less than $100,000 per year. 318 people completed the survey; 177 attempted to take the survey but were not able to complete it because they made more than $100,000 (104 attempts) or lived outside of Austin (73 attempts). All of the surveys were completed in English.

Compared to demographics for the City overall, the telephone survey captured more seniors and fewer younger households. The online survey captured more households between the ages of 25 and 44 and fewer seniors than live in the City overall.
Except for the low income subsample, both surveys captured more homeowners than renters. Sixty-six percent of the telephone survey respondents were owners. Fifty-nine percent of the online respondents were owners. This compares to a homeownership rate of 46 percent in the City. As such, the survey data were weighted to more accurately reflect tenure in the City.

The following exhibit provides a geographic distribution of survey respondents.
Exhibit II-7.

Where Telephone Survey Respondents Live

Where Online Survey Respondents Live

Source: Austin Resident Surveys, 2008.
Thirteen percent of respondents to the telephone survey and 17 percent of online survey respondents said they had experienced discrimination in trying to find housing. Exhibit II-8 shows the main reasons respondents felt they had been discriminated against. It should be noted that not all of the reasons include protected classes under the Fair Housing Act—e.g., people cannot bring a case of discrimination based on income level or credit issues in most areas.

Exhibit II-8.
What was/were the reason(s) you feel you were discriminated against?

<table>
<thead>
<tr>
<th>Reason</th>
<th>Telephone Survey</th>
<th>Online Survey</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>4%</td>
<td>0%</td>
</tr>
<tr>
<td>I have a low income</td>
<td>6%</td>
<td>20%</td>
</tr>
<tr>
<td>I have bad credit/bankruptcy/debts</td>
<td>26%</td>
<td>3%</td>
</tr>
<tr>
<td>I have children</td>
<td>2%</td>
<td>7%</td>
</tr>
<tr>
<td>I’m gay/lesbian/bisexual/transgendered</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>I’m not a United States citizen</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>I’m physically disabled</td>
<td>5%</td>
<td>12%</td>
</tr>
<tr>
<td>My gender/sex</td>
<td>1%</td>
<td>8%</td>
</tr>
<tr>
<td>My religion</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>Not married (to partner)</td>
<td>0%</td>
<td>7%</td>
</tr>
<tr>
<td>Other</td>
<td>18%</td>
<td>7%</td>
</tr>
<tr>
<td>Race</td>
<td>33%</td>
<td>24%</td>
</tr>
<tr>
<td>Student</td>
<td>0%</td>
<td>8%</td>
</tr>
</tbody>
</table>

The majority of respondents who felt they had been discriminated against did nothing about it. Six to 10 percent filed a complaint.

Respondents were also asked what they would do if they wanted to know more about their fair housing rights. Most would look for information on the internet, as shown in Exhibit II-9. This was less true of low income respondents, who preferred to call a lawyer/consult legal aid or find information through local government sources.

Exhibit II-9.
If you wanted to know more about your fair housing rights, how would you get information?

<table>
<thead>
<tr>
<th>Source: Austin Resident Surveys, 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Call a lawyer/ ACLU/ Legal Aid/ Attorney General’s office</td>
</tr>
<tr>
<td>HUD website</td>
</tr>
<tr>
<td>Internet search</td>
</tr>
<tr>
<td>Library</td>
</tr>
<tr>
<td>Local government information source/officials</td>
</tr>
<tr>
<td>Other</td>
</tr>
<tr>
<td>Public housing authority</td>
</tr>
<tr>
<td>TV</td>
</tr>
</tbody>
</table>
Affordability

A more in-depth discussion of affordability is included in the Housing Market chapter of the Consolidated Plan. However, the Austin Housing Market Study released in March of 2008 found the following with regards to affordability in Austin:

- About 35 percent of renters in Austin could afford the average priced rental unit of $843, which requires an annual household income of $34,000.

- In 2008, 21,700 renter households—13 percent of all renter households in Austin—earned less than $10,000. Austin has approximately 2,400 units and rental assistance vouchers for these households, which can afford a rent of approximately $175 per month—leaving a gap of 19,300 underserved households.

- Another 24,500 renter households earn between $10,000 and $20,000—14 percent of all renters. They need apartments with rents of between $175 and $425 to avoid being cost burdened. In 2008, these renters had approximately 4,750 affordable units and vouchers available to them, leaving a gap of 19,800 underserved households.

- About 13 percent of current renters in Austin and 53 percent of homeowners could afford the average price for sale unit could afford the average priced for sale unit.

Exhibit II-10. Affordability of Median Priced Units to Renter and Owner Households, Austin, 2008

<table>
<thead>
<tr>
<th>Median Price</th>
<th>All Units</th>
<th>Single Family Detached</th>
<th>Single Family Attached</th>
<th>Multifamily</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renters</td>
<td>21,463</td>
<td>18,631</td>
<td>36,620</td>
<td>30,742</td>
</tr>
<tr>
<td>Percent</td>
<td>13%</td>
<td>11%</td>
<td>22%</td>
<td>19%</td>
</tr>
<tr>
<td>Owners</td>
<td>74,405</td>
<td>68,029</td>
<td>87,772</td>
<td>82,588</td>
</tr>
<tr>
<td>Percent</td>
<td>53%</td>
<td>49%</td>
<td>62%</td>
<td>58%</td>
</tr>
</tbody>
</table>

Source: MLS and BBC Research & Consulting.

In sum, Austin’s primary affordability problem exists for the lowest earning households seeking rental properties.

City Policy Review

This section examines barriers to affordable housing development in Austin. It contains the results of interviews that were conducted with stakeholders, focus groups with nonprofit and private developers. It also contains the results of interviews and a review of the policies and procedures of the City of Austin Housing Authority (HACA).

Stakeholder Input. A series of stakeholders meetings were held in conjunction with the Austin Housing Market study, released in March of 2008. The stakeholder meetings were conducted by BBC Research & Consulting and focused on affordable housing opportunities and barriers within the City. Approximately 100 affordable housing developers, policymakers and advocates participated in the stakeholder meetings. The following summarizes their opinions with regards to City policies and procedures and community barriers with regards to developing affordable and special needs housing in Austin.
Regulatory barriers to developing affordable housing

- There is too little zoning for multifamily development.
- Site development costs are prohibitive because of the City’s sewer requirements. There needs to be a less costly way to tie into the City’s sewer system.
- Stricter building requirements aimed at environmental preservation have increased building costs substantially, directly impacting housing affordability.
- The 23 separate ordinances related to development in the past 18 months demonstrate the regulatory burden that raises development costs.
- The development process requires working with multiple departments and individuals. It is tough to find anyone in the City who is willing to make a decision. The common response is “this isn’t my area of expertise.”
- Neighborhood planning is inconsistent.
- Overall, developers feel that the SMART ™ Housing program is not as streamlined as it should be, given that one of the incentives is staff assistance. Developers feel that no one City department took ownership of the program.
- Many affordable housing developers would like to see a streamlined City approval process, which would, in turn, lessen their carrying costs on projects.

Community barriers

- Powerful neighborhood associations make affordable projects very difficult.
- City neighborhoods don’t have the resources as private sector developers. The City should give the neighborhoods full-time advocates to negotiate development specifications (Portland has such a program).
- The lack of an overall planning vision constrains the amount of development that occurs.
- The City has a lack of altruistic developers and community commitment.
- Condominium conversions remove low income rental properties from the market through conversion processes.

Explicit change in City zoning

- No more cumulative zoning
- Stop neighborhood backlash against multi-use zoning
- Need a more “big picture” land use code/Overall Zoning
- A streamlined development process. It can’t continue to take years to get a development approved.
Summary Findings and Impediments

The following provides a summary of analysis, the identified impediments and fair housing recommendations.

Findings

Home Mortgage Disclosure Act (HMDA) Analysis. The HMDA analysis was two-fold, analyzing mortgage activity of Austin-based banks, as well as analyzing loan applications submitted by Travis County residents.

Austin banks appear to handle a relatively homogenous product of loan applications, primarily receiving applications for conventional loans for home purchases. Travis County residents also primarily applied for conventional loans, but had a higher percentage of refinances and home improvement loans than was seen by Austin banks.

Racial composition of loans was difficult to determine, as nearly 25 percent of Travis County residents did not report their race. Loan application amounts received by Austin banks were typically higher than loans applications submitted by local residents. A smaller loan amount differential existed by race and ethnicity for Austin banks, than existed for Travis County residents, meaning that Travis County residents applying for loans were more diverse financially.

Austin banks had a very low denial rate (7 percent), as most applications received by Austin banks were either approved or purchased from another institution, which does not require approval. Denial rates were much higher for Travis County residents at 16 percent. More specifically, denial rates for African American and Hispanic applicants from Travis County were substantially higher than those seen at local banks.

Austin banks primarily denied applications due to poor credit history and a bad debt-to-income ratio. Reasons for denial varied more for Travis County applicants; 16 percent of denials were due to a lack of collateral and an additional 12 percent of applications were denied due to an incomplete application. Loan denials of Travis County applicants were more concentrated in the eastern and southeastern portions of the City.

Of the nearly 36,000 loan applications submitted by Travis County residents in 2007, 12 percent were considered subprime. African American and Hispanic applicants were more likely to receive a subprime loan product.

Legal Case Summaries. Most reported cases of fair housing violations in Austin and Texas were related to reasonable accommodations and disability status. These cases involved lawsuits against builders and architects to ensure buildings were properly retrofitted with amenities necessary for individuals with disabilities, as well as against public housing authorities by individuals wanting first floor apartments for increased accessibility.
Fair Housing Complaint Process. Two entities within Austin are responsible for receiving fair housing complaints from residents. The City of Austin Equal Employment and Fair Housing Office are responsible for enforcing the City’s fair housing ordinance and filing complaints with HUD. In 2008, 100 complaints were investigated and 15 turned into formal complaints with HUD. The Austin Tenants’ Council (ATC) is a Fair Housing Initiatives Program (FHIP). ATC received 365 fair housing complaints in 2008. Most complaints received by both entities were for discrimination against disability status.

Citizen Input. Stakeholder meetings identified a strong need for a greater level of affordability in Austin’s rental market. Many stakeholders felt that housing discrimination goes unreported and is tolerated by residents because of their hesitancy to leave their current situation due to a lack of affordable and accessible rental units in Austin.

The citizen survey revealed that 13 percent of respondents to the telephone survey and 17 percent of online survey respondents said they had experienced discrimination in trying to find housing. When asked why they were discriminated against, 33 percent of telephone respondents and 24 percent of online respondents felt that it was because of their race. Approximately one-third of both telephone and online respondents said they were rely on the internet when seeking help on fair housing issues.

Housing Affordability. Austin is seen as a relatively expensive housing market, particularly when compared to other Texas communities. Approximately 35 percent of current renters could afford the average priced unit in Austin ($843). As such, a very large rental gap exists for Austin’s households earning less than $20,000 per year. Although not all of these renters are homeless, they are most likely paying more than 30 percent of their monthly income to rent.

City Policies. A series of stakeholder meetings conducted during the completing of the Housing Market Study identified a number of concerns local affordable housing developers, advocates and policymakers had with developing housing in Austin. Overall, stakeholders felt the development process was difficult and lengthy due to a process that was not streamlined, lofty site development costs, inconsistent citywide zoning, and a large number of ordinances passed within the last 2 years. Additionally, many felt that the lack of a citywide vision for growth allowed inconsistent neighborhood plans to take precedent in development decisions.

Impediments

The following impediments to fair housing choice were identified through this research:

Lack of action by residents experiencing discrimination

A discrepancy exists between the number of surveyed residents citing housing discrimination and the number of complaints received by the City of Austin Equal Employment and Fair Housing Office and the Austin Tenant’s Council and the number of survey respondents citing discrimination in Austin. Although some respondents cited discrimination for reasons not protected under fair housing ordinances (ex: bad credit), many respondents cited race as the reason for their housing discrimination. Race was not the most common complaint received by either complaint investigation organizations.
NIMBYism

There is no strong, comprehensive guiding document for development in Austin. This has allowed neighborhood groups to play a very strong role in guiding the development process in Austin. Although neighborhood groups contribute to the unique fabric of Austin and help encourage a participatory and engaging public process, it also provides an opportunity for neighborhood groups to discourage the development of certain types of housing that are necessary to ensure housing for all of Austin’s residents. This is often referred to as Not in my Backyard, or, NIMBYism. NIMBYism was mentioned as a problem in Austin by a number of stakeholders familiar with the development process in Austin.

Geographic concentration of loan denials

HMDA data suggests that residents in east Austin receive a higher proportion of loan denials than in other portions of the city. These neighborhoods also have traditionally contained higher proportions of African American and Hispanic residents. A lack of capital in these neighborhoods could result in a disinvestment in certain parts of Austin.

Policy barriers to affordable housing development

Stakeholders identified a number of policy and procedural barriers to fair housing, and, developing affordable housing in particular. The development process is made difficult in Austin by a number of city ordinances passed within the last two years, site development costs, inconsistent neighborhood zoning, a city approval process that is not streamlined and a lack of multifamily zoning.

Affordability

Stakeholders and affordable housing developers alike identified affordability as an impediment to fair housing. Affordable housing developers and others responsible for providing affordable housing stock in Austin said high land costs often make affordable housing projects economically infeasible. Additionally, many said the approval process with the city can be lengthy, which adds carrying costs to projects. As a result, stakeholders said affordable housing stock is limited for those who need it, which means that many low income individuals may be living in substandard housing or tolerating discriminatory situations, such as apartments with little to no accessibility, for fear of not finding another affordable unit.
APPENDIX IX: Community Development Commission (CDC) Working Groups
COMMUNITY DEVELOPMENT COMMISSION (CDC) WORKING GROUPS

Working Groups were established by Council as a tool for Boards and Commissions to use to delve into specific policy issues. Working Groups then bring recommendations to the full Board or Commission for consideration. These Groups are intended to be short-term, organized around specific charges and dissolve after the charges are completed. Working Groups may also have members who are not Commissioners. Below are working groups and a list of active members.

- **Neighborhood Centers Working Group** – Charged to 1) review and make recommendations to the CDC on the 2012 CSBG Community Action Plan, and 2) discuss and make recommendations on Food Desert Solutions.
  - Elridge Nelson, Community Development Commission (CDC)
  - Angelica Noyola, CDC
  - Gilbert Rivera, CDC
  - Dorcas Seals, CDC
  - Myron Smith, CDC
  - Stephanie Tsen, CDC

- **Holly Working Group** – Charged to 1) discuss future funding of Holly program and how funds could be reallocated, and 2) discuss how to educated residents about program.
  - John Limon, Community Development Commission (CDC)
  - Reuben Montoya, CDC
  - George Morales, CDC
  - Gilbert Rivera, CDC
  - Myron Smith, CDC

- **Affordable Housing Siting Policy Working Group** – Charged to 1) develop a statement of desired outcome for housing siting policies, practices and strategies that can achieve dispersion of affordable housing throughout Austin, 2) review the research surrounding the three approaches identified by staff: capacity-based, goal-based, and strategic, and 3) evaluate the challenges and opportunities for each approach for short-term and long-term feasibility.
  - Steven Aleman – Austin Neighborhoods Council (ANC)
  - Mandy De Mayo – Housing Works
  - Darla Gay – Boarding Homes/Re-Entry Roundtable
  - Stuart Hersh – Community Housing Development Organization (CHDO)
  - Ann Howard – Ending Community Homelessness Coalition (ECHO)
  - Dianna Grey – Corporation for Supportive Housing
  - Liz Mueller, Community Development Commission (CDC)
  - Angelica Noyola – CDC
  - Karen Paup – CDC
  - Myron Smith – CDC
  - Kathy Stark – Austin Tenants’ Council
  - Tracy Witte - OCEAN/Swede Hill (resigned 6/17/12)
Date: July 12, 2012

To: Mayor and Council Members

From: John Limon, Chair, Community Development Commission

Subject: Recommendations on FY 2012-13 Action Plan

The Community Development Commission (CDC) met on Tuesday, July 11, 2012, to discuss recommendations on the City of Austin Neighborhood Housing and Community Development Office’s (NHCD) Fiscal Year 2012-13 Action Plan. The Commission passed the following motion:

The CDC recommends approval of the Fiscal Year 2012-13 Action Plan, but also recommends that the Austin City Council increase Sustainability Funds for administrative and operational expenses required for NHCD in FY’2013, so that Housing Trust Funds are directed to housing programs.

The CDC also recommends that Council approve $1 million in funding for the Housing Trust Fund and designate a portion of that funding for the Home Repair Program and for current program level funding of the Tenant Based Rental Assistance (TBRA) Program.

Please let me know if I can answer any questions or provide additional information.

cc: Marc A. Ottt, City Manager  
    Bert Lumberaras, Assistant City Manager  
    Betsy Spencer, Director, NHCD  

The City of Austin is committed to compliance with the American with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request.
APPENDIX XI: City of Austin Resolutions
RESOLUTION 971119-34

WHEREAS, the City of Austin has conducted a Project Area Survey as set forth as Exhibit "A" to this Resolution for an area east of IH-35 generally along the East 11th and 12th Street's commercial corridors and as required by section 374.014(a) of the Local Government Code (the "Code"); and

WHEREAS, based on the information and data collected in the Project Area Survey the City Council has determined that the area set forth on the attached Exhibit "B" to this Resolution (the "Redevelopment Area") is a blighted area and a slum area as required by section 374.014(a) of the Code and as those terms are defined in sections 374.003(3) and (19) of the Code; and

WHEREAS, the City Council desires to move the process of urban renewal forward and understands that prior to expending any HUD Section 108 guaranteed loan funds, the financing agreement, the master plan, and the development plan must receive City Council approval; and

WHEREAS, the City Council desires to take appropriate action to eliminate this slum area and blighted area through the combined action of private enterprise, municipal regulation, and other public action through an approved urban renewal plan; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That the City Council declares the Redevelopment Area to be a slum area and a blighted area; and

BE IT FURTHER RESOLVED, that the City Council designates the Redevelopment Area as appropriate for an urban renewal project; and

BE IT FURTHER RESOLVED, that no work may be done by the Austin Revitalization Authority (the "ARA") on the master plan or development plan until the ARA's board of directors is reconstituted; and

BE IT FINALLY RESOLVED, that the City Council directs the City Manager to request any funding allowed under the HUD Section 108 Program and that no money should be released or distributed unless the previously identified steps are met and receive City Council approval.

ADOPTED: November 19, 1997

ATTEST: James E. Aldridge
City Clerk

19NOV97
JW:do
71119_34.URP
RESOLUTION NO. 20120202-015

WHEREAS, community land trusts (CLTs) were created more than 30 years ago in response to the rising cost of housing, limited space for new construction, a growing number of abandoned buildings, and an aging housing stock; and

WHEREAS, the purpose of a CLT is to provide access to land and housing to people who are otherwise denied access, empower residents through involvement and participation in the organization, and permanently preserve affordability of housing; and

WHEREAS, CLTs are successful tools that have been used in other parts of the country to provide affordable housing with more than 200 CLTs nationwide; and

WHEREAS, the Neighborhood Housing and Community Development Department’s Fiscal Year 2011-12 Action Plan calls for the exploration and utilization of CLTs to preserve long-term affordability and increase home ownership opportunities; and

WHEREAS, the City of Austin has long-standing partnerships with Community Housing Development Organizations (CHDOs), which are eligible for consideration of community land trust status; and

WHEREAS, the Texas Legislature adopted S.B. 402 in the 82nd Regular Session which became law on January 1, 2012 relating to the local creation of CLTs that may be exempt from taxation of land owned by a designated CLT; NOW THEREFORE,
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That the City Manager is directed to work with the Community Development Commission and representatives of community housing development organizations (CHDOs) and other eligible non-profit organizations to implement a process for evaluation and consideration of CHDOs and other non-profit organizations as community land trusts.

BE IT FURTHER RESOLVED:

That the City Manager is directed to report back to the City Council on the status of implementation of the process by April 5, 2012 with the intention for the City Council to begin consideration of applications by non-profit organizations for CLT status by April 26, 2012.

ADOPTED: February 2, 2012    ATTEST: Shirley A. Gentry
                                          City Clerk
RESOLUTION NO. 20100325-053

WHEREAS, the City of Austin receives funding from several sources to finance affordable housing projects including general obligation bonds, community development block grants, and other federal and state grants; and

WHEREAS, the 2009 Austin Housing Market Study determined that those earning below $20,000 in annual income are most at risk of homelessness and showed the greatest need for rental housing among residents with incomes at or below 30 percent of the median family income (MFI); and

WHEREAS, in January, 2010, the Corporation for Supportive Housing analyzed the need for permanent supportive housing and made a recommendation to the Austin/Travis County Reentry Roundtable, Ending Community Homelessness Coalition, and the Mayor’s Mental Health Task Force Monitoring Committee that 350 permanent supportive housing units be constructed over the next four years; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The city manager is directed to give priority to funding for permanent supportive housing that targets the most vulnerable populations, those residents with annual incomes at or below 30 percent MFI, but continue to fund affordable home ownership, home repair, and rental projects.

BE IT FURTHER RESOLVED:

The city manager is directed to work with the Director of Neighborhood Housing and Community Development, the Director of Health and Human Services, 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. Community stakeholders should include both governmental and private-sector entities.

The city manager shall present the comprehensive strategy for the permanent supportive housing units to Council before October 1, 2010 and report annually on the status.

ADOPTED: March 25, 2010

ATTEST: Shirley A. Gentry
City Clerk
RESOLUTION NO. 20110310-025

WHEREAS, the City of Austin receives funding from several sources to finance affordable housing projects including general obligation bonds, community development block grants, and other federal and state grants; and

WHEREAS, the 2009 Austin Housing Market Study determined that those earning below $20,000 in annual income are most at risk of homelessness and showed the greatest need for rental housing among residents with incomes at or below 30 percent of the median family income (MFI); and

WHEREAS, in January 2010, the Corporation for Supportive Housing analyzed the need for permanent supportive housing and made a recommendation to the Austin/Travis County Reentry Roundtable, Ending Community Homelessness Coalition, and the Mayor’s Mental Health Task Force Monitoring Committee that 350 permanent supportive housing units be created over the next four years;

WHEREAS, in March 2010, the City Council passed a resolution directing the City Manager to give priority to funding for permanent supportive housing that targets the most vulnerable populations, those residents with annual incomes at or below 30 percent MFI, but continue to fund affordable home ownership, home repair, and rental projects;

WHEREAS, in order to achieve this goal it is necessary to integrate the work of the Director of Neighborhood Housing and Community Development, the Director of Health and Human Services, and community stakeholders to develop a comprehensive strategy, based on information
gathered on best practices in other cities, that will include both the creation and operation of 350 permanent supportive housing units by year-end 2014; and

**WHEREAS,** the City Council was briefed on the recommended permanent supportive housing strategy at the City Council meeting on September 30, 2010; **NOW, THEREFORE,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

The City Council hereby adopts the City of Austin Permanent Supportive Housing Strategy as a working document.

**BE IT FURTHER RESOLVED:**

The City Manager shall facilitate the creation of a Leadership Committee on Supportive Housing Finance to include, but not to be limited to, designated representatives from the Ending Community Homelessness Coalition; the City of Austin; Travis County; Seton; the St. David’s Foundation; Central Health; Austin-Travis County Integral Care; the Housing Authority of the City of Austin; Travis County Housing Authority, and the United States Department of Veterans Affairs.

**BE IT FURTHER RESOLVED:**

Representatives from additional entities not listed should be considered to serve on the Leadership Committee.

**BE IT FURTHER RESOLVED:**

The Leadership Committee shall work together to review and analyze the report given to Council; and recommend a comprehensive public and
private financing strategy for the City Council to consider for action; and provide Council with quarterly updates on their progress beginning in May 2011.

APPROVED: March 10, 2011  ATTEST: Shirley A. Gentry
Shirley A. Gentry
City Clerk
WHEREAS, the Comprehensive Housing Market Study, commissioned by the City of Austin in 2009, identified very low-income renters as one of the most underserved populations in the market overall and found that there is a tremendous need for rental housing affordable to those earning 0-30% of the area’s median family income; and

WHEREAS, Permanent Supportive Housing is an effective way to help very low-income families with multiple barriers to housing stability by linking a range of support services that enable tenants, especially the able homeless, to live independently and participate in community life; and

WHEREAS, on March 25, 2010, the Austin City Council passed Resolution 20100325-053 directing the City Manager to give priority to the funding of permanent supportive housing and to develop a comprehensive strategy for the construction and operation of 350 permanent supportive housing units over the next four years; and

WHEREAS, on September 30, 2010, to implement this council directive, the City Manager produced the Permanent Supportive Housing Strategy, which identifies community outreach, education, and collaborative two-way communication as critical components to the success of any permanent supportive housing effort; and

WHEREAS, the Austin Neighborhoods Council, which represents approximately 90 neighborhood associations across Austin, has adopted two resolutions supporting ‘policies that will increase the quantity and quality of
affordable housing for low and middle-income households throughout the municipality’ and ‘projects providing housing for the homeless that is dispersed throughout Austin’; and

WHEREAS, a broad community dialogue that includes stakeholders from neighborhoods all across Austin is needed to establish successful approaches for integrating low-income housing throughout the city; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That the City Manager is directed to research best practices from other cities on engaging communities and building support for permanent supportive housing projects.

BE IT FURTHER RESOLVED:

The City Manager shall report his findings and recommendations to the Comprehensive Planning and Transportation Subcommittee by March 7, 2011 wherein the committee members will receive public comment and identify a schedule for additional community dialogue. The stakeholder discussion should start no later than March 21, 2011.

ADOPTED: January 13, 2011 ATTEST: Shirley A. Gentry
City Clerk
RESOLUTION NO. 20091210-044

WHEREAS, 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; and

WHEREAS, 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; and

WHEREAS, UNO has generated an estimated $1 million available for the provision of affordable housing; and

WHEREAS, 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); and

WHEREAS, it is in the interest of the City to appropriately balance the needs of the community and to maintain density bonus programs that reflect current market conditions; NOW, THEREFORE,
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Manager is directed 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. This 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 CBD, DMU, PUD, and NBG zoning districts.

BE IT FURTHER RESOLVED:

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.

ADOPTED: December 10, 2009  ATTEST: Shirley A. Gentry

Shirley A. Gentry
City Clerk
RESOLUTION NO. 041202-59

WHEREAS, the City of Austin ("City") and Catellus Austin, LLC ("Catellus") have entered into a Master Development Agreement ("MDA") for Catellus to redevelop the former Robert Mueller Municipal Airport site, now known as Mueller, which includes an affordable housing requirement; and

WHEREAS, over the past eight years the City and the community have anticipated a significant affordable housing program for the Mueller redevelopment, and Catellus shares this vision; and

WHEREAS, the MDA commits Catellus to achieving an overall affordable housing goal of 25% of residential units (at 80% median family income for owner-occupied units and at approximately 60% median family income for rental units) generally evenly dispersed throughout the development in accordance with the MDA and indistinguishable from adjacent "market rate" units, while still balancing all of the other goals of both the City and Catellus for Mueller; and

WHEREAS, the City and Catellus desire to continue a dialogue to examine what current additional tools, and future additional tools, exist to develop more affordable housing at Mueller, both in overall numbers of affordable units and in the level of affordability achieved; and

WHEREAS, Catellus is committed to using diligent, good faith efforts to work with Austin Housing Finance Corporation ("AHFC") to achieve greater levels of affordability in excess of the above requirements; and
WHEREAS, Catellus will use commercially reasonable efforts to work with AHFC to identify and explore greater third party participation opportunities in the affordable housing program at Mueller, including exploring financial institution affordable housing incentives and using affordable housing experience as a builder selection criterion; and

WHEREAS, the following community groups may be included to provide the widest possible affordable housing program at Mueller: RMMA Plan Implementation Advisory Commission, Community Development Commission, including Housing Subcommittee, and other community housing organizations, Real Estate Council of Austin and other builder/real estate organizations; NOW; THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

SECTION 1. That the following strategies for reporting Catellus’ performance on its commitment to affordable housing are approved as part of the City’s Mueller affordable housing program:

A. Catellus will semi-annually report its progress on the Mueller affordable housing program to the City’s Community Development Commission, which will be incorporated into the City’s Consolidated Planning Process.

B. The Mueller affordable housing program will become part of the City’s Annual Consolidated Plan, thus providing formal accountability.
C. The following community groups may be included in the discussion of the Mueller affordable housing program:

i. RMMA Plan Implementation Advisory Commission.

ii. Community Development Commission, including Housing Subcommittee.

iii. Other community housing organizations.

iv. Real Estate Council of Austin.

v. Other builder/real estate organizations.

SECTION 2. That Catellus’ commitment to use diligent, good faith efforts to work with AHFC to increase both the levels and degree of affordable housing at Mueller, including reviewing the following City programs, is approved as part of the City’s Mueller affordable housing program:

A. Tax credits for single or multi-family development.

B. Special needs housing grants.

C. Cooperative housing models for homeownership that serve families between 50-65% median family income and rental housing that serves families at or below 50% median family income.

D. Down payment assistance.

E. Mortgage Credit Certificates.
F. Rental Housing Development Assistance.

G. Bond Financing.

H. Housing Trust Fund, S.M.A.R.T. Housing™ Capital Improvement Funds, or other federal resources or funding included in the City of Austin Consolidated Plan.

SECTION 3. That Catellus’ commitment to use diligent, good faith efforts to work with AHFC to increase both the levels and degree of affordable housing at Mueller, including reviewing the following tools and strategies, is approved as part of the City’s Mueller affordable housing program:

A. Models for home-ownership that serves families, both initial and subsequent occupants, at 50-60% median family income.

B. Models for rental units, which make and retain at least some units available, at or below 50% median family income.

C. Programs targeted at special needs populations, especially elderly and severely developmentally disabled.

D. Creative models for equity generation systems to qualify families/individuals in the affordable units.

E. Investigate establishing appropriate legal entities, such as land trust models, that could hold and manage affordable housing units and thereby maintain affordability.
SECTION 4. That Catellus' commitment to use commercially reasonable efforts to work with AHFC to identify and explore greater third party participation opportunities in the affordable housing program at Mueller, including exploring affordable housing incentives from financial institutions and using affordable housing experience as a builder selection criterion, is approved as part of the City's Mueller affordable housing program.

ADOPTED: December 2, 2004

ATTEST: Shirley A. Brown
City Clerk
ORDINANCE NO. 20110818-075

AN ORDINANCE ADDING A NEW CHAPTER 4-12 TO TITLE 4 OF THE CITY CODE RELATING TO THE REGISTRATION OF CREDIT ACCESS BUSINESSES; PROVIDING A PENALTY UP TO $500 FOR EACH OFFENSE; AND INCLUDING A DEFENSE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. Title 4 (Business Regulation and Permit Requirements) of the City Code is amended to add a new Chapter 4-12 to read:

CHAPTER 4-12. CREDIT ACCESS BUSINESSES.

ARTICLE 1. GENERAL PROVISIONS.

§ 4-12-1 DEFINITIONS.

In this chapter:

(A) CERTIFICATE OF REGISTRATION means a certificate of registration issued by the Director under this chapter to the owner or operator of a credit access business.

(B) CONSUMER means an individual who is solicited to purchase or who purchases the services of a credit access business.

(C) CREDIT ACCESS BUSINESS has the same meaning as defined in Section 393.601 of the Texas Finance Code.

(D) DEFERRED PRESENTMENT TRANSACTION has the same meaning as defined in Section 393.601 of the Texas Finance Code.

(E) DIRECTOR means, for purposes of this chapter, the Director of the department designated by the city manager to enforce and administer this Chapter.

(F) EXTENSION OF CONSUMER CREDIT has the same meaning as defined in Section 393.001 of the Texas Finance Code.

(G) MOTOR VEHICLE TITLE LOAN has the same meaning as defined in Section 393.601 of the Texas Finance Code.

(H) OWNER means, for purposes of this chapter, any person who directly or indirectly owns a credit access business. For publicly traded companies, the term means any person who directly or indirectly owns or controls 10% or more of the outstanding shares of stock in the credit access business.
(I) PERSON means, for purposes of this chapter, any individual, corporation, organization, partnership, association, financial institution, or any other legal entity, but does not include the City.

(J) REGISTRANT means a person issued a certificate of registration for a credit access business under this chapter and includes all owners and operators of the credit access business identified in the registration application filed under this chapter.

(K) STATE LICENSE means a license to operate a credit access business issued by the Texas Consumer Credit Commissioner under Chapter 393 of the Texas Finance Code.

§ 4-12-2 PURPOSE.

The purpose of this chapter is to protect the welfare of the citizens of the City by monitoring credit access businesses in an effort to reduce abusive and predatory lending practices.

§ 4-12-3 through § 4-12-9 (RESERVED).

ARTICLE 2. REGISTRATION OF CREDIT ACCESS BUSINESSES.

§ 4-12-10 REGISTRATION REQUIRED.

A person may not operate or conduct business as a credit access business without a valid certificate of registration. A certificate of registration is required for each credit access business.

§ 4-12-11 REGISTRATION APPLICATION.

(A) To obtain a certificate of registration for a credit access business, a person must submit an application on a form provided for that purpose to the Director. The application must contain the following:

(1) the name, street address, mailing address, facsimile number, and telephone number of the registrant;

(2) the business or trade name, street address, mailing address, facsimile number, and telephone number of the credit access business;

(3) the names, street addresses, mailing addresses, and telephone numbers of all owners of the credit access business and other persons with a financial interest in the credit access business, and the nature and extent of each person's interest in the credit access business;
(4) a copy of a current, valid state license held by the credit access business pursuant to Section 393 of the Texas Finance Code;

(5) a copy of a current, valid certificate of occupancy showing that the credit access business is in compliance with Title 25 of the City Code of Ordinances;

(6) a non-refundable application fee of $50; and

(7) if a publicly traded company, the name of the registered agent for service of process in Texas.

(B) A Registrant shall notify the Director within 45 days after any material change in the information contained in the application for a certificate of registration, including, but not limited to, any change of address and any change in the status of the state license held by the applicant or registrant.

§ 4-12-12 ISSUANCE AND DISPLAY OF CERTIFICATE OF REGISTRATION; PRESENTMENT UPON REQUEST.

(A) The Director shall issue to the Registrant a certificate of registration for each location upon receiving a completed application under Section 4-12-11 (Registration Application).

(B) A certificate of registration issued under this section must be conspicuously displayed to the public in the credit access business. The certificate of registration must be presented upon request to the Director or the Director’s designee for examination.

§ 4-12-13 EXPIRATION AND RENEWAL OF CERTIFICATE OF REGISTRATION.

(A) A certificate of registration expires on the earlier of:

(1) one year after the date of issuance; or

(2) the date of expiration, revocation, or other termination of the registrant’s state license.

(B) A certificate of registration may be renewed by making application in accordance with Section 4-12-11 (Registration Application). A registrant shall apply for renewal at least 30 days before the expiration of the registration.

§ 4-12-14 NONTRANSFERABILITY.

A certificate of registration for a credit access business is not transferable.
ARTICLE 3. MISCELLANEOUS REQUIREMENTS FOR CREDIT ACCESS BUSINESSES.

§ 4-12-20 MAINTENANCE OF RECORDS.

(A) A credit access business shall maintain a complete set of records of all extensions of consumer credit arranged or obtained by the credit access business, which must include the following information:

(1) the name and address of the consumer;
(2) the principal amount of cash actually advanced;
(3) the fees charged by the credit access business to arrange or obtain an extension of consumer credit; and
(4) the documentation used to establish a consumer's income under Section 4-12-21 (Restrictions on Extensions of Consumer Credit).

(B) A credit access business shall maintain a copy of each written agreement, between the credit access business and a consumer, evidencing an extension of consumer credit (including, but not limited to, any refinancing or renewal granted to the consumer).

(C) A credit access business shall maintain and file on a quarterly basis with the Director copies of all quarterly reports filed with the Texas Consumer Credit Commissioner as required by Chapter 393 of the Texas Finance Code.

(D) The records required to be maintained by a credit access business under this section must be retained for at least three years and made available for inspection and copying by the City upon request during the usual and customary business hours of the credit access business.

§ 4-12-21 RESTRICTIONS ON EXTENSIONS OF CONSUMER CREDIT.

(A) The cash advanced under an extension of consumer credit that a credit access business obtains for a consumer or assists a consumer in obtaining in the form of a deferred presentment transaction may not exceed twenty percent (20%) of the consumer's gross monthly income.

(B) The cash advanced under an extension of consumer credit that a credit access business obtains for a consumer, or that the credit access business assists a
consumer in obtaining, in the form of a motor vehicle title loan may not exceed the lesser of:

(1) three percent (3%) of the consumer's gross annual income; or

(2) seventy percent (70%) of the retail value of the motor vehicle.

(C) A credit access business shall use a paycheck, bank statement, IRS Form W-2 from the previous tax year, the previous year’s tax return, a signed letter from an employer, or other similar documentation establishing income to determine a consumer's income.

(D) An extension of consumer credit that a credit access business obtains for a consumer or that the credit access business assists a consumer in obtaining and that provides for repayment in installments may not be payable in more than four installments. Proceeds from each installment must be used to repay at least twenty-five percent (25%) of the principal amount of the extension of consumer credit. An extension of consumer credit that provides for repayment in installments may not be refinanced or renewed.

(E) An extension of consumer credit that a credit access business obtains for a consumer or that the credit access business assists a consumer in obtaining and that provides for a single lump sum repayment may not be refinanced or renewed more than three times. The minimum payment due to refinance or renew an extension of consumer credit arranged or obtained by a credit access business must reduce by at least twenty-five percent (25%) the principal amount of the extension of consumer credit such that the extension of credit is paid in full after a maximum of three renewals or refinances.

(F) For purposes of this section, an extension of consumer credit that is made to a consumer within seven business days after a previous extension of consumer credit has been paid by the consumer will constitute a refinancing or renewal.

§ 4-12-22 REFERRAL TO CONSUMER CREDIT COUNSELING.

A credit access business shall provide a form, to be prescribed by the Director, to each consumer seeking assistance in obtaining an extension of consumer credit which references non-profit agencies that provide financial education and training programs and agencies with cash assistance programs. The form will also contain information regarding extensions of consumer credit.

§ 4-12-23 OFFENSE AND PENALTY.

(A) A person who violates any section of this chapter commits a Class C misdemeanor punishable by a fine not to exceed $500.
(B) Each day that a violation occurs is a separate offense.

(C) The penalties provided for in Subsection (A) are in addition to any other remedies available under City ordinance or state law.

(D) A culpable mental state is not required for a violation of this chapter and need not be proved.

§ 4-12-24- DEFENSE.

It is a defense to prosecution under this chapter that at the time of the alleged offense the person was not required to be licensed by the State of Texas as a credit access business pursuant to Chapter 393 of the Texas Finance Code.

PART 2. A credit access business that possesses a state license issued pursuant to Chapter 393 of the Texas Finance Code on the effective date of this ordinance shall file a registration application and pay the fee required under this chapter within thirty days of the effective date of this ordinance.

PART 3. This ordinance takes effect on January 1, 2012.

PASSED AND APPROVED

______________________________________________________________________________

August 18, 2011

Lee Leffingwell
Mayor

APPROVED: ________________________ ATTEST: __________________________

Karen M. Kenward
City Attorney

Shirley A/ Gentry
City Clerk
RESOLUTION NO. 20110818-079

WHEREAS, the City Council of the City of Austin, and the citizens it represents, are deeply concerned about the harmful effects of alternative financial service business practices, including payday lenders and auto title lenders, in the City of Austin and elsewhere in the state of Texas; and

WHEREAS, in the state of Texas there are over 2,800 of these unlicensed and unregulated lending storefronts draining over $600 million in loan fees and lost assets from our communities every year; and

WHEREAS, these businesses in our local community promise “easy credit” that in fact hurt consumers with annual interest rates often between 300% and 500%, and loan terms that pull people deeper into debt; and

WHEREAS, 15 states have adopted a 36% or lower annual percentage rate cap for these small loans, and the federal government has adopted a similar rate cap for payday and auto title loans to military personnel based on a Department of Defense finding that these loans, “undermine military readiness, harm the morale of troops and their families, and add to the cost of fielding an all-volunteer fighting force”; and

WHEREAS, the City of Austin does not have the authority to regulate interest rates, but does have land use authority; and

WHEREAS, the City Council believes there is a public benefit to restricting locations of payday and auto title lenders to reduce the negative impact on consumers in our community; NOW, THEREFORE,
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Council initiates code amendments to City Code Title 25 (Land Development Code) and directs the City Manager to process code amendments to regulate the location and use of buildings and land for alternative financial services businesses in a manner substantially consistent with the purpose and objectives of the attached Exhibit A.

ADOPTED: August 18, 2011 ATTEST: Shirley A. Gentry
Shirley A. Gentry
City Clerk
EXHIBIT A

Add the following new definition to Commercial Uses Described:

Alternative Financial Services Businesses use is the use of a site for the provision of check cashing, payday advance or loan, money-transfer, or motor vehicle title loan services, or a credit access business as defined in this section.

1. This definition excludes:
   a. A state or federally chartered bank, savings and loan association or credit union, or a pawnshop, and;
   b. A convenience store, supermarket, or other retail establishment where consumer retail sales constitute at least 75% of the total gross revenue generated on site.

2. Check cashing business. An establishment that provides one or more of the following:
   a. An amount of money that is equal to the face of the check or the amount specified in the written authorization for an electronic transfer of money, less any fee charged for the transaction;
   b. An agreement not to cash a check or execute an electronic transfer of money for a specified period of time; or
   c. The cashing of checks, warrants, drafts, money orders, or other commercial paper for compensation by any person or entity for a fee.

3. Payday advance/loan business. An establishment that makes small consumer loans, usually backed by a postdated check or authorization to make an electronic debit against an existing financial account, where the check or debit is held for an agreed-upon term, or until a customer’s next payday, and then cashed unless the customer repays the loan to reclaim such person’s check. Such establishments may charge a flat fee or other service charge and/or a fee or interest rate based on the size of the loan amount.

4. Car title loan business. An establishment that makes small consumer loans that leverage the equity value of a car or other vehicle as collateral where the title to such vehicle is owned free and clear by the loan applicant and any existing liens on the car or vehicle cancel the application. Failure to repay the loan or make interest payments to extend the loan allows the lender to take possession of the car or vehicle.

5. Credit Access Business as defined in Section 393.601 of the Texas Finance Code.

Amend the Financial Services Commercial Uses Described definition:

Financial Services use is the use of a site for the provision of financial and banking services. This use includes banks, savings and loan institutions, stock and bond brokers, loan and lending activities, and similar services. This excludes uses described in ALTERNATIVE FINANCIAL SERVICES BUSINESSES.
Add a new section to regulate Alternative Financial Services Businesses uses:

**Alternative Financial Services Businesses**

1. Except as provided in Subsection 2, an alternative financial services business is a permitted use in a CS zoning district and is a conditional use in an LR or DMU zoning district.

2. An alternative financial service business may not be located on a lot:
   
   a. That is within one thousand (1,000) feet of a lot containing another credit access business.
   
   b. That is within two hundred (200) feet from a lot zoned or used for residential purposes.
   
   c. That is within five hundred (500) feet of the rights-of-way of Interstate Highway 35, U.S. Highway 183, U.S. Highway 290, Texas State Highway Loop 360, Texas State Highway Loop 1, and Texas State Highway 45.
   
   d. That is within the East Austin Overlay District, Waterfront Overlay District, or the University Neighborhood Overlay District.

3. An alternative financial service business shall be situated only within a freestanding building and shall not be co-located in the same structure as other uses.
RESOLUTION NO. 20100930-025

WHEREAS, in December 2009, the Federal Deposit Insurance Corporation (FDIC) estimated that more than 20% of households (146,000 households) in the Austin-Round Rock Metropolitan Statistical Area (MSA) are “underbanked” and rely on alternative financial services, including non-bank money orders, non-bank check cashing, payday lending, or pawn shop lending; and

WHEREAS, racial and ethnic minorities, as well as lower-income households, were significantly more likely to be underbanked, according to the 2009 FDIC study; and

WHEREAS, the 2006-2008 American Community Survey 3-year Estimates found 13% of the total MSA population lived in poverty, and 22.8% of African Americans and 19.2% of Hispanics in the MSA lived in poverty; and

WHEREAS, a 2008 report by the Center for Financial Services Innovation estimated that 38% of the underbanked borrow to pay basic living expenses; and

WHEREAS, in 2008 the country’s largest publicly-traded payday lending institution, QC Holdings, reported that its average loan over 2005-2008 was close to $360 with a term of 16 days and a fee of approximately $53 – a 400% annual percentage rate; and

WHEREAS, according to the Corporation for Enterprise Development, substantial research evidence indicates that building a household’s assets
“increases economic security, encourages initiative and risk-taking, increases economic confidence, increases home and business ownership, increases financial skills, strengthens families and communities, and improves the prospects of future generations”; and

WHEREAS, United Way Capital Area and PeopleFund launched the Bank on Central Texas program in June 2010 to create public awareness of the importance of being banked, promote access to financial products tailored for the underbanked or unbanked, and provide financial education and capacity building for the underbanked and unbanked; and

WHEREAS, a 2009 Center for Financial Services Innovation report indicated that workers enrolling in a direct deposit program can reduce transaction costs associated with converting paychecks into cash or money orders, can increase personal safety by not carrying large amounts of cash, and can build savings opportunities through their interactions with financial institutions; and

WHEREAS, on average 90% of City of Austin workforce is paid through direct deposit; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Council accepts the invitation of the United Way Capital Area and PeopleFund to become a community partner and leader in the Bank on Central Texas (BOCT) effort. The City Manager will designate a liaison from the city staff to collaborate on BOCT programs.
BE IT FURTHER RESOLVED:

The City Council directs the City of Austin to participate in the BOCT Employer Campaign, a program designed to highlight the commitments to and successes of financial empowerment programs of the largest employers in Central Texas.

As its first public commitment, the City Council directs the City Manager to use all necessary effort consistent with legal requirements to achieve a 98% electronic wage payment rate by September 30, 2011. Among these efforts, the City Manager should work with employees receiving paper checks to identify their individual barriers to receiving an electronic wage payment, and where appropriate:

1. Offer financial coaching to the employee, either through the City's Human Resources Department or in conjunction with existing programs offered by community organizations; and

2. Identify financial products through the BOCT program that may benefit the employee, whether they are BOCT accounts, prepaid card accounts, or more traditional bank or credit union accounts.

The City Manager should also develop procedures to encourage new employees to enroll in electronic wage payment.

The City Manager will present the interim results of this initiative to Council by April 30, 2011 and the final results of the year-long effort by October 15, 2011.
BE IT FURTHER RESOLVED:
Over the course of Fiscal Year 2010-2011, the City Manager will work with BOCT leaders to help identify solutions to bring the electronic wage payment rate as close to 100% as is legitimately possible consistent with legal requirements within a reasonable but accelerated timeline.

BE IT FURTHER RESOLVED:
The City Manager will work with BOCT to create other Employer Campaign programs that can be offered to city employees and which serve as a leadership model for other Central Texas employers. These programs should be presented to the City Council for its review by April 30, 2011.

ADOPTED: September 30, 2010 ATTEST: Shirley M. Gentry
City Clerk
APPENDIX XII: Housing and Neighborhood Component
6. Develop and maintain household affordability throughout Austin.

Rising housing and related costs, such as transportation and utilities, are major issues facing Austinites. Low-income, fixed-income, and, increasingly, middle-class households struggle to find housing they can afford, especially in the urban core. Often, the only housing they can afford is not close to their work or schools, and far removed from daily necessities (such as services, shopping, entertainment, recreation, and dining). Better-located housing is often too expensive or does not meet the needs of many families with children. As Austin becomes more diverse—with a growing retired and senior population, an increasing number of smaller households, and others interested in alternatives to suburban living—the single-family homes typical of our central neighborhoods may not suit their needs. More significantly, high real estate prices increasingly preclude the possibility of purchasing or renting a house in Central Austin.

In order to meet the market demand of our growing and diversifying population, the range of available housing choices must expand throughout the city. Alternatives to the typical larger-lot single family and garden-style apartments that characterize much of Austin’s housing stock are needed, including a greater variety of starter and move-up homes. The introduction and expansion into the market of housing types such as rowhouses, courtyard apartments, bungalow courts, small-lot single-family, garage apartments, and live/work units can meet this emerging demand. The demand for market-rate housing can and should be met by the private sector. The City of Austin can work with private developers, non-profits, the state and federal governments, Travis County and other local governments to help those individuals and families not able to afford market-rate housing, including seniors on a fixed income, people with disabilities, and low-wage workers.

The city’s housing stock contributes to unaffordability in other ways. High utility bills can often be addressed by improving how we use water, electricity and natural gas, while the location of homes in relation to different modes of transportation, work, and daily and weekly needs impacts how much households spend on transportation.

To address these issues, a comprehensive approach is needed to define and provide household affordability for Austinites. Such an approach must take into consideration transportation, utilities, and access to daily and weekly needs as essential and inter-related components of household affordability. It should recognize both market rate affordability and the need for subsidized housing, and include collaboration with Travis County, area school districts, and regional entities (such as Capital Area Council of Governments, Capital Area Metropolitan Planning Organization, and Capital Metropolitan Transportation Authority) to align objectives and achieve maximum investment to promote household affordability.
GOALS

Maintain and increase household affordability in Austin.

WORK PROGRAM

SHORT TERM (1-3 YEARS)

1. Identify gaps in affordability throughout the city and set numerical targets for housing that is affordable to a variety of households, including workforce, supportive, low-income, families with children, and senior housing.

2. Use the S.M.A.R.T. Housing program as a framework to introduce new tools and strategies to promote affordable housing for moderate, low, and very low-income households, including new regulatory and finance mechanisms, grants, and partnerships with local non-profit intermediary organizations.

3. Promote long-term affordability by:
   - Supporting a local community land trust and other shared equity approaches
   - Targeting the use of public funds for the lowest-income households, including those who are homeless, at risk of homelessness, or who have other special needs
   - Developing new goals, targets, and strategies to promote the distribution of affordable housing in all parts of the city, including incentives for affordable housing in new developments and for the preservation of existing rental units.

4. Ensure new and revised small-area plans include an affordability component addressing preservation of existing and creation of new affordable, supportive, and workforce housing.

ONGOING AND LONG TERM (3+ YEARS)

5. Identify new or expand existing dedicated revenue sources for affordable housing.

6. Examine potential regulatory barriers and policies that impede the provision of household affordability, including infrastructure costs; the costs and benefits of zoning ordinances on housing development; and examine how the City’s waste removal fees and other City fees and requirements impact the cost of living for the families of Austin.

7. Develop a community educational campaign to address the issue of affordability, such as loss of existing affordable housing, rising utility and transportation costs, and the need to maintain affordability as part of Austin’s quality of life.

8. Identify opportunities for the creation of affordable housing on publicly-owned land and develop partnerships with developers to provide flexible, affordable work space and housing.

9. Support the creation of a “real-time” database of available affordable housing units, services, resources, and incentives to strengthen the process of connecting qualified...
buyers and renters with affordable housing to comprehensively lower monthly household expenses.

10. Replicate and adopt best practice models for affordable housing in Texas to make state lawmakers aware of the statutory barriers that impede household affordability, such as the inability of cities to provide property tax relief to low-income renters and the challenges of meeting market demand.

RELATIONSHIP TO OTHER ACTION PROGRAMS:

- Grow and invest in Austin's creative economy. Investing in housing that is affordable for all will help sustain existing and attract new creative business.

- Invest in transportation and other improvements to create a compact and connected Austin. Transportation costs can greatly impact moderate and lower-income households. Diversifying Austin's transportation network and increasing the balance of public transit, walking, and biking networks will reduce and the need to drive and associated transportation costs.

- Continue to grow Austin's economy by investing in our workforce, education system, and entrepreneurs. Sustainable growth of Austin's economy depends on providing affordable living options for its workforce.

- Revise Austin's development regulations and processes to promote a compact and connected city. Issues that should be addressed in the development code revision include reevaluating the goal of affordability, promoting the creation of flexible standards for the construction and preservation of affordable units, and developing standards for a City-wide approach to development bonus programs.

RELATED CITY INITIATIVES:
- City of Austin 5-Year Consolidated Plan and Annual Action Plan Process (required by the U.S. Department of Housing and Urban Development)
- Development Bonus Initiatives (various)
- S.M.A.R.T. Housing Initiative
- Permanent Supportive Housing Initiative
- Colony Park Sustainable Community Pilot Project
- Mueller redevelopment
- Neighborhood, corridor, and station-area plans
APPENDIX XIII: Mueller Affordability Report
SEMI-ANNUAL REPORT
AFFORDABLE HOUSING UPDATE THRU MAY 31ST, 2012
AFFORDABLE HOUSING RESOLUTION IMPLEMENTATION EFFORTS

Catellus has implemented the necessary steps described below to meet or exceed the affordability requirements at Mueller as outlined in the MDA:

1. Catellus implemented the general strategy established to meet the affordable housing MDA requirement of 25% affordability of all for-sale and for-rent homes. Builders/developers of the affordable units are required to sell or lease to households with incomes at the defined ceiling of affordability (80% MFI in for-sale; 60% MFI in rental) and to be constructed in accordance with the City's SMART Housing Program. These units are priced to ensure marketability to these target markets within the parameters outlined in the MDA.

2. Each market rate multifamily property at Mueller is planned to include at least 10% affordable rental units. Catellus implemented the strategy, calling for the affordable housing requirement in the MDA to be fulfilled through the development of a senior apartment property and a family apartment property in which most or all units will be affordable at the 60% MFI threshold or below. Both the senior and family apartment projects will and have taken advantage of existing financing mechanisms for affordable rental housing, notably tax credit programs and the City of Austin's bond program, to provide opportunities for expanding the level and degree of affordability at Mueller as called for in the MDA's Affordable Housing Resolution.

Activities to implement the multifamily strategy in the current reporting period include:

- Mosaic at Mueller, the first market-rate rental housing at Mueller developed by Simmons Vedder and managed by Greystar, has been completed. Forty-four (44) units or 10% of the 441-unit property are provided to households at 60% MFI for 50 years, forty-five (45) additional years over the SMART Housing's 5-year affordability requirement. To date, all forty-four rental homes have been constructed and have been leased to income-qualified families earning 60% MFI or less.

- DMA Development Company, LLC is the senior apartment property developer. The senior apartment project has 201 units planned. 171 units (85.1%) are provided to households at or below 60% MFI for ninety-nine (99) years; ninety four (94) additional years over SMART Housing's 5-year affordability requirement and forty five (45) additional years over tax credit project's 40-year affordability requirement. Of the 171 affordable units, 85 units or 50% are affordable for households below 60% MFI, 60 units or 35.1% for households below 50% MFI and 26 units or 15.2% for households below 30% MFI. DMA successfully secured tax credits from the Texas Department of Housing and
Community Affairs (TDHCA) and General Obligation Bond funds from the City of Austin as part of the local government financial support required by the tax credit project. DMA also successfully closed with RBC, the tax credit investor and Enterprise, the lender for permanent financing on this project. The project officially broke ground on November 16, 2010 and has obtained certificate of occupancy in February 2012. It is now in the initial lease-up phase with 97 homes or 56.7% leased to income qualified families earning income at 60% MFI or less and 81 homes occupied.

3. A primary affordability strategy for Mueller’s for-sale housing is that market mechanisms will allow builders to provide a smaller house for a lower price. Affordable units are or will be included among row homes, yard homes, Mueller House units and / or other condominium product types. Due to the dispersion of these unit types between Mueller’s planned residential development phases, affordable units will represent more than 25% of total units in some phases and less that 25% in others. Secondary strategies for ensuring sustained affordability include establishment of the Mueller Foundation, reviewing and participating in existing City programs, developing new programs, and partnering with third parties with expertise in funding and producing affordable for-sale homes, as described in the MDA’s Affordable Housing Resolution.

Catellus has continued to successfully implement the following for-sale affordable homes strategy activities:

- The first two phases of for-sale residential subdivisions have been fully developed. David Weekley and Meritage were the affordable yard and row homebuilders for these two phases, along with their market rate homes at Mueller. To date, all 133 affordable homes have been successfully sold to affordable homebuyers and closed. In addition, the Mueller Foundation executed its purchase option and right of first refusal on nine affordable resale homes. The Mueller Foundation successfully resold the homes to households earning between 57% and 100% MFI. In addition, the Mueller Foundation has processed the refinancing of 48 affordable homes, saving the homeowners an average of $155 per month.

- Construction of homes for the third phase began November 2010. David Weekley Homes and Standard Pacific Homes are the homebuilders for this phase. Plans for the development included 24 affordable garden homes by David Weekley and 26 affordable Mueller House homes by Standard Pacific Homes. All 50 homes are affordable to households earning 80% MFI or less. Marketing and outreach of the homes began September 2010 which included orientation sessions scheduled in Q4 2010 and Q1 2011. David Weekley has closed on all 24 of the affordable homes Standard Pacific Homes has closed 12 of the affordable homes with 12 currently under contract.
• The fourth phase of for-sale residential subdivision will have 97 affordable homes including 21 yard homes, 52 row homes, and 24 Mueller House homes. Catellus has executed contracts with Weekley Homes, Standard Pacific Homes and Streetman Homes for both the market rate and affordable homes. Infrastructure construction for this phase is under way and construction of homes is expected to start third quarter of 2012.

• PeopleTrust continues as the Mueller Compliance Agent, performing the income compliance process for the affordable purchase and rental homes.

• Frameworks continues to be Mueller’s preferred partner to help affordable home buyers with general issues related to home purchase, education, credit counseling, and affiliated credit repair services through Numbers by the Book.

• The Mueller Shared Appreciation Program, created based on the Austin Housing Finance Corporation’s shared-equity program, has provided soft second liens to 169 for-sale affordable homes at Mueller and was implemented through the Mueller Foundation, the non-profit organization created by Catellus to support the social and community goals including affordability at Mueller. To date, the Mueller Foundation holds a total of $10,287,564 in shared equity liens. The Shared Appreciation Program will continually be implemented for the third and fourth phases of the development.

• Catellus and the Mueller Foundation have continued to work with PeopleTrust, the non-profit housing organization, to manage the Mueller Affordable Homes Program as well as the Shared Appreciation Program.

• The Travis Central Appraisal District agreed to assess the value of the affordable homes at the initial affordable sales price for the first year of ownership.
## Tracking of Affordable Housing

<table>
<thead>
<tr>
<th>Type</th>
<th>Reporting Period</th>
<th># of Residences Contractually Committed by Builders / Developers</th>
<th># of Residences Under Construction</th>
<th># of Residences Occupied</th>
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</thead>
<tbody>
<tr>
<td>For-Sale</td>
<td>Current Reporting Period</td>
<td>0</td>
<td>12</td>
<td>7</td>
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<tr>
<td></td>
<td>Cumulative</td>
<td>280</td>
<td>12</td>
<td>169</td>
</tr>
<tr>
<td>For Rent</td>
<td>Current Reporting Period</td>
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<td>81</td>
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<td></td>
<td>Cumulative</td>
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<td>0</td>
<td>125</td>
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<tr>
<td>Total</td>
<td>Current Reporting Period</td>
<td>0</td>
<td>12</td>
<td>88</td>
</tr>
<tr>
<td></td>
<td>Cumulative</td>
<td>525</td>
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<td>294</td>
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</table>

<table>
<thead>
<tr>
<th>Type</th>
<th>Total # of Homes Offered</th>
<th>Total # of Affordable Homes Contracted</th>
<th>% of Affordable Homes</th>
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</thead>
<tbody>
<tr>
<td>For-Sale</td>
<td>1002</td>
<td>280</td>
<td>27.9%</td>
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<tr>
<td>For Rent</td>
<td>943</td>
<td>245</td>
<td>26.0%</td>
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<tr>
<td>Overall</td>
<td>1945</td>
<td>525</td>
<td>27.0%</td>
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## Distribution of Existing Affordable Buyers by Median Family Income (MFI) Percentage

<table>
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<tr>
<th>Affordable Level</th>
<th>Below 50% MFI</th>
<th>50%-59% MFI</th>
<th>60%-69% MFI</th>
<th>70%-80% MFI</th>
<th>Percent of Buyers</th>
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</thead>
<tbody>
<tr>
<td>Percent of Buyers</td>
<td>5%</td>
<td>8%</td>
<td>22%</td>
<td>65%</td>
<td></td>
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</table>

## Distribution of Existing Renters by Median Family Income (MFI) Percentage

<table>
<thead>
<tr>
<th>Affordable Level</th>
<th>Below 30% MFI</th>
<th>30%-49% MFI</th>
<th>50%-59% MFI</th>
<th>60%-80% MFI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of Leased Units</td>
<td>18%</td>
<td>29%</td>
<td>52%</td>
<td>1%</td>
</tr>
</tbody>
</table>
Affordable Housing Distribution Map, Sections 4 and 5
Prepared for Catellus Austin, LLC by RVi and ROMA Design Group
MAY 31, 2011

This map is conceptual in nature and does not represent any regulatory approval. No warranty or representation is made by the Developer as to the complete accuracy thereof, and same is submitted subject to land plan changes, or other conditions. The Developer has reserved the right, without notice, to make changes to this plan and other aspects of the development to comply with governmental requirements and to fulfill its marketing objective.
APPENDIX XIV: Affordable Housing Siting Policy Interim Update
INTERIM UPDATE ON AFFORDABLE HOUSING SITING POLICY DISCUSSIONS

On December 15, 2011, the City Council passed Resolution 20111215-058 directing NHCD to work with the Community Development Commission (CDC) and other stakeholders to research and recommend strategies of achieving geographic dispersion of affordable housing. In the months following, NHCD staff researched a number of national examples of siting policies and worked closely with the CDC and the Affordable Housing Siting Policy working group created by the CDC to assess the feasibility of various approaches in Austin. This interim update includes an overview of the background, research, process, public participation activities, feedback received, and topics discussed by the Affordable Housing Siting Policy Working Group.

Background
Currently the City uses a number of geographic considerations when scoring applications for the Rental Housing Development Assistance (RHDA) program and the Acquisition and Development (A&D) program.

For all applications, the City uses the Kirwan Institute’s Opportunity Map of Austin as a primary scoring criterion for geographic prioritization. In 2007, the Ohio State University’s Kirwan Institute analyzed multiple sources of statistical data to rank geographic opportunity according to economic, mobility, education, public health and neighborhood indicators. The map resulted in areas being ranked Very High, High, Moderate, Low and Very Low Opportunity. Applicants may receive the following scores based on the project’s opportunity ranking:

- **25 points:** Very High priority area
- **20 points:** High priority area
- **15 points:** Moderate priority area
- **10 points:** Low priority area
- **5 points:** Very Low priority area

Other scoring criteria that can be attributed to the geographic location of the proposed project include:

1. RHDA: “Priority Location”: Vertical Mixed Use/Planned Unit Development/Transit Oriented Development (10 points)
2. Preservation of existing affordable housing (10 points – Rental Housing Development Assistance program only)
3. Distance to Capital Metro stop
4. Federal Government Environmental regulations
5. Low Income Housing Tax Credit Qualified Allocation Plan rules (if applicable)
6. Compatibility with Neighborhood Plan (if applicable)

Research

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1 The Kirwan Institute Opportunity Map of Austin is scheduled to be reviewed and updated during the summer of 2012.
A number of tools used to promote geographic dispersion of affordable housing were defined through a nationwide review of various jurisdictional policies, and along with assistance from the American Planning Association’s Planning Advisory Service and the Center for Housing Policy’s Housing Research and Advisory Service.

Some of the methods used by other jurisdictions are not feasible for Austin. For example, inclusionary zoning is a tool used by various localities to require a certain share of new construction to be affordable to people in low to moderate income levels; however inclusionary zoning has been deemed illegal by the Texas State Legislature. Another method of achieving geographic dispersion is through state-mandated fair share laws. These are typically mandates of equitable distribution that occur as a result of a lawsuit or legislative action. Texas does not have a law that acts in this way.

However, many municipalities throughout the country have created their own policies that do not rely on inclusionary zoning policies or state mandates. They are approaches and tools that aim to achieve a level of equity within a given jurisdiction. The policy examples reviewed by staff fell into three types of approaches: goal-based, capacity-based and strategic.

- In a goal-based approach a jurisdiction manages growth by setting a number of expected affordable units per defined (new or existing) geographic area.

- A capacity-based model creates a formula by which to exempt communities/geographic areas from an affordable housing requirement if they can demonstrate they have already reached a quota based on a formulaic capacity.

- Strategic methods take a place-based approach to siting housing. A jurisdiction targets investment in specific geographic areas. Often this investment is aligned with other systems to ensure maximum efficiency in affordable housing siting (e.g. public transit, employment centers, social services, health facilities, schools, etc.) This is the category that the City of Austin’s current approach most closely adheres to.

These three approaches were the basis for further discussion by staff, the CDC and community members.

**Process**

On January 10, 2012, NHCD staff briefed the CDC on the research and approaches described above. Per the CDC’s recommendation, staff agreed to try to align the development of this Affordable Housing Siting Policy with the FY 2012-13 Action Planning process. This decision allowed the policy recommendation to be facilitated by an established public participation process. This process included a series of “Community Conversations”, a prioritization exercise completed by over 200 Austinites, and a 30-day Needs Assessment comment period followed by a 30-day Draft Action Plan comment period.
On March 13, 2012, the CDC took another step in facilitating this conversation by forming an Affordable Housing Siting Policy Working Group to study and try to recommend a siting policy to include in the FY 2012-13 Action Plan. The working group, comprised of Community Development Commissioners, affordable housing professionals and representatives of various stakeholder groups, met numerous times between March 19, 2012, and July 9, 2012. View members of the working group on page VIII-6. At the time of publication, the Working Group is continuing to meet and a policy recommendation has not yet been made.

The Affordable Housing Siting Policy Working group, along with staff, promoted a well-attended Community Conversation as part of the Action Planning process titled, “Affordable Housing Across Austin.” On April 24, 2012 more than 75 community participants joined together to hear from local leaders and practitioner experts from Charlotte, NC; Dallas, TX; Raleigh, NC; San Jose, CA; and Washington DC via a virtual panel. The event offered an opportunity for citizens to learn about Austin’s value of achieving greater geographic dispersion of affordable housing, the various siting policy approaches studied, and specific examples of working policies from cities across the country. The session was completed with a public discussion and opportunity for citizen feedback. View this session at http://austintx.swagit.com/play/04272012-508.

By community request, the working group and staff held a second opportunity for the community to provide feedback at an additional “Affordable Housing Across Austin” Community Conversation held on May 7, 2012. This event brought 25 people together for another discussion.

Several other opportunities were available for members of the public to learn about the siting policy recommendation development process. A meeting was held with members of the Austin Neighborhoods Council in November 2011, discussions have occurred with the CHDO Roundtable and the City Council’s Comprehensive Planning and Transportation Committee, and an online discussion board has been open on SpeakUpAustin.org since fall of 2011 to solicit feedback on the issue of geographic dispersion. More than 200 Austinites have participated in the overall discussion and provided feedback.

Community Feedback

The topic of equitably dispersing affordable housing throughout the city is one that brings together a range of interests and viewpoints from the community. Of the over 200 Austinites who have made their voices heard in this conversation, some come from a position of deep concern over what they perceived as an over-concentration of poverty in certain parts of town. Others came to the table recognizing constraints to the development of affordable housing in other parts of town. Most agree, however, that the siting of affordable housing throughout the entire city does benefit the whole community and that an affordable housing siting policy that addresses the allocation of city funding should help achieve that goal.
Other themes that community members have noted throughout the engagement process are:
- Using public land for affordable housing;
- Analyzing the current stock of affordable housing within certain geographic boundaries, including the stock of aging multi-family developments;
- Preserving existing affordable housing;
- De-stigmatizing affordable housing; and,
- Considering fair housing choice, both for those who would choose to move to another neighborhood if given the opportunity, and those who would prefer to stay in their established community.

**Affordable Housing Siting Policy Working Group**

Through its work with the CDC, NHCD offered the working group the following areas of focus, as related to City Council Resolution 20111215-058 and the Community Development Commission’s action:

1. To review the City’s current affordable housing siting policies and options for new approaches.
2. To create an evaluation matrix/tool to assess the feasibility of various affordable housing siting policy approaches.
3. To make recommendations for the Action Plan chapter on the Affordable Housing Siting Policy.

Early working group discussions focused on formulating a draft vision statement, objectives and goals to provide context for the group’s work:

**Vision:** “The City of Austin commits to the creation and preservation of housing in all parts of Austin that meets the needs of all Austin residents of extremely low to moderate income tied to an analysis of identified housing gaps.”

The vision should incorporate the following goals:
- Substantially increases all types of affordable housing opportunities in dispersed geographic locations;
- Affirmatively further Fair Housing choice;
- Is feasible for the City of Austin to administer.

The vision should take into account the following tools:
- Relevant, timely and accurate data that reflects areas of high opportunity, currently demonstrated by the Kirwan Institute’s Opportunity Map;
- The location of existing subsidized housing stock in the City;
- The location of existing aging multi-family housing stock; and
- The City of Austin Draft Good Neighbor Guidelines.

As of July 9, 2012, the working group has explored and assessed a number of policy options including land use and zoning issues such as developing a preservation strategy and the strategic use of public land, and have begun identifying measures of a gaps assessment and goal setting methodology.
The group continues to meet and discuss various other tools and approaches to achieving geographic dispersion of affordable housing. Although the working group has not made an official recommendation to the CDC, the group is expected to make a recommendation to the commission in 2012. Following the working group’s recommendation, the CDC will have the opportunity to make a recommendation to the Austin City Council on this issue.
Affordable Housing Siting Policy Working Group members:
- Steven Aleman – Austin Neighborhoods Council (ANC)
- Mandy De Mayo – Housing Works
- Darla Gay – Boarding Homes/Re-Entry Roundtable
- Stuart Hersh – Community Housing Development Organization (CHDO)
- Ann Howard – Ending Community Homelessness Coalition (ECHO)
- Dianna Grey – Corporation for Supportive Housing
- Liz Mueller, Community Development Commission (CDC)
- Angelica Noyola – CDC
- Karen Paup – CDC
- Myron Smith – CDC
- Kathy Stark – Austin Tenants’ Council
- Tracy Witte - OCEAN/Swede Hill (resigned 6/17/12)

City Staff Support:
- Rebecca Giello – Neighborhood Housing and Community Development (NHCD) Office
- Kelly Nichols – NHCD
- Marti Bier – NHCD
- Maneesh Chaku – NHCD
- Kathleen Buchanan – Law Department
- Paul DiGiuseppe – Planning and Development Review Department, Imagine Austin Comprehensive Plan
APPENDIX XV:
Public Notice – Reprogramming
American Recovery and Reinvestment
Act (ARRA) / CDBG-R funds
Neighborhood Housing and Community Development Office
Notice of 7-Day Public Comment Period
Reprogramming of American Recovery and Reinvestment Act (ARRA) Funding

The City of Austin Neighborhood Housing and Community Development Office announces a 7-day public comment period to receive input on the reprogramming of American Recovery and Reinvestment Act (ARRA) – Community Development Block Grant (CDBG-R) funding. The American Recovery and Reinvestment Act (ARRA) was signed into law on February 17, 2009, by President Barack Obama. The funding was intended to jumpstart the economy as the nation tries to recover from a global economic downturn. Funding was allocated from the federal government to states, cities, non-profits and other agencies and organizations. As part of ARRA, the U.S. Department of Housing and Urban Development (HUD) allocated $2,003,003 to the City of Austin for its Community Development Block Grant (CDBG-R) program.

The federal CDBG-R program provides communities with resources to address a wide range of unique community development needs by enabling local governments to undertake activities intended to create suitable living environments, provide decent affordable housing and create economic opportunities, primarily for persons of low and moderate income.

CDBG-R Projects

The award was 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 funding was allocated to four projects and administration. Brief project descriptions are provided below:

$500,000 for Lifeworks’ East Austin Youth and Family Resource Center

A forgivable loan in the amount of $500,000 was granted to LifeWorks, a local non-profit, for the purchase of land to construct a 32,000 square foot Resource Center to expand critical workforce and provide mental health services to low-income populations. LifeWorks acquired the land in November 2009. The initial construction was delayed due to financing difficulties and rising construction costs. Construction on the project began in mid-February 2011 with preliminary work consisting of parking lot excavation and initial foundation work. Located at 835 Pleasant Valley Road, Austin, Texas 78702, the center opened in December 2011. Construction of the facility created the proposed 20 construction jobs plus an additional 10 construction jobs to replace the reduced part-time positions from the eliminated proposed retail space. The completed project will also sustain 100 professional jobs. The contract ends June 30, 2012.

$500,000 for PeopleFund’s Center for Economic Opportunity

People Fund, another Austin non-profit, received a forgivable loan in the amount of $500,000 for the construction of the Center for Economic Opportunity. The facility is located at 2921 E. 17th Street, Austin, Texas 78702 and offers comprehensive services to local small businesses and low- to moderate-income homebuyers. The facility also provides affordable office space to small businesses and serves as an incubator for small businesses. The Center for Economic Opportunity opened for business in October 2010. The project created 23 construction jobs and to date, PeopleFund has hired 10 t (FTE) employees. These positions consist of customer service positions, economic development manager positions and business development positions. The contract ends June 30, 2012.
$552,703 for African-American Cultural and Heritage Facility
The creation of the African-American Cultural and Heritage Facility (formerly the Dedrick-Hamilton House) was a result of the City’s African-American Quality of Life Initiative recommendation. Austin voters confirmed support of the Cultural Facility in the bond election in an amount of $1.5 million. This Facility is planned as the anchor facility for the newly established African-American Heritage Cultural District and will house a Visitor’s Bureau, Pro Arts Collective, Inc. and Capital City African-American Chamber of Commerce. It will be located at 912 E. 11th Street, Austin, Texas 78702. Building design is complete and construction is underway. Project completion is scheduled for August 2012.

$250,000 for New Sidewalks in Central East Austin (Sidewalks)
CDBG-R funding in the amount of $250,000 was utilized to support the construction of sidewalks in Central East Austin, Texas. Sidewalks were chosen with community input and are located in disadvantaged neighborhoods. The exact locations of the two miles of sidewalks are: the 1100 to 1200 blocks of Poquito Street, the 100-1000 blocks of Springdale Avenue, and the 100-400 blocks of San Marcos Street. The zip codes for the projects are 78702, 78721, and 78702 respectively. The sidewalk project completed in 2010 and created 17 jobs including Concrete Finishers, Front End Loaders, Tractor Operators, and Flaggers.

Administration
In addition to receiving approval for four projects, the City of Austin also received approval to spend $203,003 in Administrative Dollars to administer the CDBG-R projects. Project Coordinator administrative work is being conducted at 1000 East 11th Street, Austin, Texas 78702. Responsibilities include coordination and reviewing construction related projects, assisting in the monitoring of project budgets, ensuring compliance with City and other regulatory requirements, and reviewing performance reports and processing pay requests. Technical assistance is also provided as necessary. To date, 5 FTEs have been created since commencement of the stimulus grant.

Reprogramming of Funds
All projects are complete with the exception of the African American Cultural and Heritage Facility (AACHF). The Sidewalks project completed in 2010; however, the project has a remaining balance of $8,872.60 in CDBG-R funding. Neighborhood Housing and Community Development (NHCD) will reprogram the $8,872.60 balance to the African American Cultural and Heritage Facility (AACHF) project for completion.

<table>
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<tr>
<th>Reprogramming of CDBG-R Funding</th>
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<tbody>
<tr>
<td>Amount</td>
</tr>
<tr>
<td>$8,872.60</td>
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</table>
Public Notice
This public notice will be available to review beginning June 15 through June 22, 2012 on the City’s web site at www.austintexas.gov/housing or at the following community locations:

- Austin Central Public Library, 800 Guadalupe (Central)
- Austin Resource Center for the Homeless, 500 East 7th Street (Central)
- East Austin Neighborhood Center, 211 Comal (East)
- Neighborhood Housing and Community Development Department, 1000 East 11th Street, Suite 200 (East)
- Rosewood-Zaragosa Neighborhood Center, 2800 Webberville Road (East)
- St. John's Neighborhood Center, 7500 Blessing (North East)
- AIDS Services of Austin, 7215 Cameron Road (North)
- Housing Authority of the City of Austin, 1124 S IH 35 (South)
- South Austin Neighborhood Center, 2508 Durwood (South)
- Pleasant Hill Library Branch, 211 East William Cannon (South)

Written Comments
Written comments may be submitted until 5 p.m. on June 22, 2012. Please include a name, address, and phone number.

Mail to:
City of Austin - NHCD
Attn: Patricia Bourenane
PO Box 1088
Austin, Texas 78767
Email: NHCD@austintexas.gov

For more information concerning the reprogramming of funds, updated project goal, and 7-day comment period, NHCD staff may be reached at 974-3100 (voice) or 974-3102 (TDD) Monday through Friday, 8 AM to 5 PM.

The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. For assistance please call 974-2210 OR 974-2445 TDD.
La Oficina de Vivienda y Desarrollo Comunitario de la ciudad de Austin anuncia la apertura de un periodo de 7 días para comentario público al fin de recibir los comentarios y sugerencias de la comunidad sobre la forma de reprogramar los fondos contenidos en la Ley Americana para la Recuperación y Reinversión (ARRA) – Subsidio Definido de Desarrollo Comunitario (CDBG-R). La Ley Americana para la Recuperación y Re-inversión (ARRA) fue promulgada por el Presidente Barack Obama el 17 de febrero de 2009. Los intenciones de fondos contenidos en la Ley anterior es la de estimular la economía tras la crisis económica mundial. El gobierno federal adjudicó estos fondos a los estados, ciudades, organizaciones sin fines de lucro, otras agencias y organizaciones.

Como parte de ARRA, el gobierno federal a través del Departamento de Vivienda y Desarrollo Urbano de los Estados Unidos (HUD) adjudicó $2,003,003 a la Oficina de Vivienda y Desarrollo Comunitario de la ciudad de Austin dentro del programa de Subsidio Definido de Desarrollo Comunitario (CDBG-R).

El programa federal CDBG-R otorga a las comunidades los recursos económicos a fin de solucionar una amplia gama de necesidades comunitarias específicas motivando a los gobiernos locales a que realicen aquellas actividades enfocadas a crear un ambiente con mejores condiciones de vida, de proveer vivienda decente y accesible y de crear oportunidades económicas, principalmente para personas de ingresos bajos y moderados.

CDBG-R Proyectos
La adjudicación de recursos para proyectos fue en base a los siguientes tres factores: 1) El proyecto es sustentable, bien financiado, con recursos establecidos; 2) resultados con rendimiento significante para la comunidad; y 3) resultados tangibles para los residentes, especialmente para la población y vecindarios con personas de ingresos bajos y moderados. Los recursos fueron asignados a la realización y administración de cuatro proyectos. A continuación una descripción breve de los proyectos:

$500,000 para Lifeworks' East Austin Youth and Family Resource Center
Un préstamo perdonable por $500,000 fue otorgado a LifeWorks, una organización local sin fines de lucro, para la compra del terreno y la construcción de un Centro de Ayuda de 32,000 pies cuadrados a fin de extender la fuerza laboral crítica y proveer servicios de salud mental a las diversas poblaciones con ingresos bajos. LifeWorks adquirió el terreno en noviembre del 2009. El inicio de la construcción fue postergada debido a dificultades financieras y al incremento en los costos de construcción. La construcción del proyecto inició a mediados de febrero del 2011 con trabajo preliminar consistiendo en la excavación para el estacionamiento y el trabajo inicial de la fundación. Localizado en el 835 Pleasant Valley Road, Austin, Texas 78702, el centro abrió en diciembre del 2011. La construcción del centro creó los 20 trabajos de construcción propuestos además de otros 10 trabajos adicionales para remplazar las posiciones de medio tiempo eliminadas por el espacio comercial. El proyecto mantendrá también 100 trabajos profesionales. El contrato termina el 30 de junio del 2012.
$500,000 para PeopleFund’s Center for Economic Opportunity (Centro para Oportunidades Económicas)
People Fund, otra organización local sin fines de lucro, recibió un préstamo perdonable por la cantidad de $500,000 para la construcción del Centro para Oportunidades Económicas. El edificio se encuentra localizado el 2921 E. 17th Street, Austin, Texas 78702 y ofrece servicios integrales a negocios locales pequeños y a compradores de vivienda con ingresos medios y bajos. El Centro también provee espacios para oficinas accesibles para pequeños negocios y sirve también como incubador de negocios. El Centro para Oportunidades Económicas inició operaciones en octubre del 2010. El proyecto creó 23 trabajos de construcción y a la fecha, PeopleFund ha contratado 10 trabajadores de tiempo completo (FTE). Esas posiciones son posiciones del servicio al cliente, gerente de desarrollo económico y posiciones de desarrollo de negocios. El contrato finaliza el 30 de junio del 2012.

$552,703 for African-American Cultural and Heritage Facility (Edificio para la Herencia Cultural Afro-Americana)
La creación del Edificio para la Herencia Cultural Afro-Americana (the African-American Cultural and Heritage Facility) anteriormente conocida como la casa Dedrick-Hamilton, fue el resultado de la recomendación de la Iniciativa de la Ciudad para mejorar la Calidad de Vida de la población Afro-Americana. Los votantes de Austin confirmaron su suporte en la elección de bonos con una cantidad de $1.5 millones. Esta construcción fue planeada como el portavoz para el Distrito de Herencia Cultural Afro-Americana recientemente establecido. Aquí también estarán un Centro de Información para visitantes, Pro Arts Collective, Inc. y Capital City African-American Chamber of Commerce. Esta edificio estará localizado en el 912 E. 11th Street, Austin, Texas 78702. El diseño del edificio está completo y la construcción del edificio se encuentra en proceso. Se tiene programada su terminación para agosto del 2012.

$250,000 para banquetas(aceras) nuevas en el Este-centro de Austin (Sidewalks)
CDBG-R fondos en la cantidad de $250,000 fueron utilizados para la construcción de banquetas al Este-Centro de Austin, Texas. La ubicación de las nuevas banquetas fue determinada con la participación de la comunidad y se localizaron en vecindarios en desventaja. La localización exacta de dos millas de banquetas es: Del 100 al 1200 de la calle Poquito, del 100-1000 de Springdale Avenue, y del 100-400 de San Marcos Street. Las áreas postales del proyecto son: 78702, 78721, y 78702 respectivamente. El proyecto de banquetas fue completado en 2010 y creó 17 posiciones incluyendo pulidores de contrato, operadores de tractores y señaladores con banderas.

Administación
Además de la aprobación de los cuatro proyectos, al Ciudad de Austin recibió la autorización para gastar $203,003 de fondos administrativos para administrar los CDBG-R proyectos. Coordinador de Proyecto. El trabajo administrativo se realiza en el 1000 East 11th Street, Austin, Texas 78702. Las responsabilidades incluyen la coordinación y revisión de proyectos relacionados con la construcción, asistir en el monitoreo del presupuesto, verificar el cumplimiento con disposiciones normativas de la la ciudad y otros aspectos regulatorios, revisar los reportes de avance de obra, y procesar las solicitudes de pago. Se proporciona asistencia técnica cuando es necesaria. A la fecha, 5 posiciones de tiempo completo han sido creadas desde que se recibió el subsidio de estímulo.
Reprogramación de Fondos

Todos los proyectos están completos, con excepción del Edificio para la Herencia Cultural Afro-Americana (the African-American Cultural and Heritage Facility - AACHF). El proyecto de banquetas se completó en 2010; sin embargo, el proyecto tiene un remanente de $8,872.60 en fondos CDBG-R. La Oficina de Vivienda y Desarrollo Comunitario (Neighborhood Housing and Community Development - NHCD) reprogramará los $8,872.60 para completar el African American Cultural and Heritage Facility (AACHF).

<table>
<thead>
<tr>
<th>Reprogramando los fondos CDBG-R</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cantidad</td>
</tr>
<tr>
<td>$8,872.60</td>
</tr>
</tbody>
</table>

Aviso Público

Este aviso público estará disponible para revisión empezando el 15 de junio hasta el 22 de junio, 2012 en City’s web site www.austintexas.gov/housing o en las siguientes locaciones comunitarias:

- Austin Central Public Library, 800 Guadalupe (Central)
- Austin Resource Center for the Homeless, 500 East 7th Street (Central)
- East Austin Neighborhood Center, 211 Comal (Este)
- Neighborhood Housing and Community Development Department, 1000 East 11th Street, Suite 200 (Este)
- Rosewood-Zaragosa Neighborhood Center, 2800 Webberville Road (Este)
- St. John's Neighborhood Center, 7500 Blessing (Noreste)
- AIDS Services of Austin, 7215 Cameron Road (Norte)
- Housing Authority of the City of Austin, 1124 S IH 35 (Sur)
- South Austin Neighborhood Center, 2508 Durwood (Sur)
- Pleasant Hill Library Branch, 211 East William Cannon (Sur)

Comentarios por Escrito

Comentarios por escrito pueden ser sometidos hasta las 5 p.m. el 22 de junio del 2012. Por favor incluya su nombre, domicilio y número de teléfono.

Por correo a:

City of Austin - NHCD
Attn: Patricia Bourenane
PO Box 1088
Austin, Texas 78767
Email: NHCD@austintexas.gov

Para mayor información sobre la reprogramación de fondos, información actualizada del gol del proyecto, y sobre el período de 7 días para comentario público, el personal de NHCD puede ser localizado en el 974-3100 (voice) ó 974-3102 (TDD) de lunes a viernes de las 8 a.m. a 5 p.m.

La Ciudad de Austin está comprometida a cumplir con el Decreto sobre Americanos con Discapacidades. Se proveerán razonables modificaciones e igual acceso a comunicaciones cuando éstas sean solicitadas. Para obtener asistencia, llame 512-974-2210 ó 512-974-2445 TDD.
APPENDIX XVI:
Texas Department of Housing and Community Affairs (TDHCA) Rent and Income Levels
Texas Department of Housing and Community Affairs
Rent and Income Limits (As of 2/10/2012)

**Project:** City of Austin, TX

**Instructions:**

1. Choose the county in which your project is located.
2. If your project is located within the boundaries of one of the designated places listed in the dropdown menu then make the appropriate selection. If the location is not listed, then choose the "Not Listed" option.
3. Please select the financing applicable for your project. Properties financed with HOME, NSP, or tax exempt bonds and 4% tax credits are not eligible to use the National Non-Metro limits.
4. Choose the date the first building in the project (as defined on line 8b of the 8609) was placed in service or for Housing Trust Fund, the date of your LURA. For HOME or NSP, select "N/A."
5. Select the date based on the execution date of your property's Carryover Agreement, Determination Notice, Subaward Agreement Date. For Housing Trust Fund, select the date of your LURA. For HOME or NSP select "N/A." See footnote 3 for more details.

**PLEASE COMPLETE ALL FIELDS.**

### INCOME LIMITS

<table>
<thead>
<tr>
<th>AMFI</th>
<th>Number of Household Members</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>30</td>
<td>$15,950</td>
</tr>
<tr>
<td>40</td>
<td>$21,280</td>
</tr>
<tr>
<td>50</td>
<td>$26,600</td>
</tr>
<tr>
<td>60</td>
<td>$31,920</td>
</tr>
<tr>
<td>80</td>
<td>$42,500</td>
</tr>
</tbody>
</table>

**RENT LIMITS**

<table>
<thead>
<tr>
<th>AMFI</th>
<th>Number of Bedrooms</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
</tr>
<tr>
<td>30</td>
<td>$398</td>
</tr>
<tr>
<td>40</td>
<td>$532</td>
</tr>
<tr>
<td>Low</td>
<td>$665</td>
</tr>
<tr>
<td>High</td>
<td>$713</td>
</tr>
</tbody>
</table>

---

1. This information is being provided to assist in the determining the rents and incomes applicable given a set of assumptions you select. You are encouraged to independently verify the results or contact the Department if you have concerns.
2. The "Place" field is used to determine whether the property is eligible to use the National Non-Metropolitan Median Income limits. Not all Places or Cities in Texas are shown. If you are located outside of the boundaries of a designated Place then select "Not Listed" even if your mailing address reflects the place name.
3. For Housing Trust Fund, select the date of the Land Use Restriction Agreement. For HOME or NSP, select "N/A."
4. The latest Housing Tax Credit income limits (effective 12/1/2011) were recently released. The 2012 income limits applicable for NSP were released 12/19/2011 and the income and rent limits applicable to HOME Program were released and effective 2/9/2012.
APPENDIX XVII: Grant Applications and Certifications
APPLICATION FOR
FEDERAL ASSISTANCE

1. TYPE OF SUBMISSION:
   ☑ Non-Construction
   □ Construction

2. DATE SUBMITTED
   8/9/12

3. DATE RECEIVED BY STATE
   State Application Identifier

4. DATE RECEIVED BY FEDERAL AGENCY
   Federal Identifier

5. APPLICANT INFORMATION

   Legal Name: City of Austin
   City of Austin
   Organizational DUNS: 94-223-0764
   Address: 1000 East 11th Street, Suite 400
   City: Austin
   County: Travis
   State: Texas
   Zip Code: 78702-1945
   Country:

   Email: betsy.spencer@austintexas.gov
   Phone Number (give area code): (512) 974-3162
   Fax Number (give area code): (512) 974-3161
   Name and telephone number of person to be contacted on matters involving this application (give area code)

   Prefix: Mrs.
   First Name: Elizabeth
   Middle Name: A.
   Last Name: Spencer
   Suffix:

6. EMPLOYER IDENTIFICATION NUMBER (EIN):
   74-6008085

7. TYPE OF APPLICATION: (See back of form for Application Types)
   ☑ New
   ☐ Continuation
   ☐ Revision

8. TYPE OF APPLICATION:
   If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.)
   ☐
   ☐

   Other (specify):

9. NAME OF FEDERAL AGENCY:
   Federal Mediation and Conciliation Service

10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:
    14-218

11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:
    Housing repair rehabilitation, acquisition, economic development, public services, planning and administration of HUD programs.

12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):

13. PROPOSED PROJECT
    Start Date: 10/1/12
    Ending Date: 9/30/13

14. CONGRESSIONAL DISTRICTS OF:
    a. Applicant
    b. Project

15. ESTIMATED FUNDING:
    a. Federal
    b. Applicant
    c. State
    d. Local
    e. Other Revolving Loan
    f. Program Income
    g. TOTAL
    6,692,838
    24,000
    152,000
    6,868,838

16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?
    a. Yes
    b. No
    □ This preapplication/application was made available to the state executive order 12372 process for review on
    DATE:
    □ Program is not covered by E.O. 12372
    □ Or program has not been selected by state for review

17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?
    Yes If "Yes" attach an explanation.

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

   a. Authorized Representative
   Prefix: 
   First Name: Bert
   Middle Name:
   Last Name: Lumbraeras
   Suffix:
   b. Title
   Assistant City Manager
   c. Telephone Number (give area code)
   (512) 974-1808
   d. Signature of Authorized Representative
   a. Date Signed:

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Standard Form 424 (Rev.9-2003)
Prescribed by OMB Circular A-102
APPLICATION FOR
FEDERAL ASSISTANCE

1. TYPE OF SUBMISSION:
   □ Construction  □ Construction  □ Non-Construction

   Pre-application

2. DATE SUBMITTED
   8/9/12

3. DATE RECEIVED BY STATE
   Applicant Identifier
   M-12-MC-48-0500

4. DATE RECEIVED BY FEDERAL AGENCY
   State Application Identifier
   Federal Identifier
   HOME

5. APPLICANT INFORMATION

   Legal Name:
   City of Austin

   Organizational DUNS:
   94-223-0764

   Address:
   Street:
   1000 East 11th Street, Suite 400

   City:
   Austin

   County:
   Travis

   State:
   Texas

   Zip Code:
   78702-1945

   Division:
   Neighborhood Housing and Community Development

   Name and telephone number of person to be contacted on matters involving this application (give area code)

   Prefix:
   Mrs.

   First Name:
   Elizabeth

   Middle Name:
   A.

   Last Name:
   Spencer

   Email:
   belays.spencer@austintexas.gov

   74-6800085

   Phone Number (give area code)
   (512) 974-3161

   Fax Number (give area code)
   (512) 974-3161

6. EMPLOYER IDENTIFICATION NUMBER (EIN):

7. TYPE OF APPLICATION:
   □ New  □ Continuation  □ Revision

   If Revision, enter appropriate letter(s) in box(es)

   Other (specify)

   (See back of form for description of letters.)

8. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:

   TITLE (Name of Program):
   HOME Investment Partnership Grant

   14-239

   10. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):

   Cities

11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:

   Housing rehabilitation/home construction, down payment assistance, rental housing development, housing development for Community Housing Development Organizations (CHDOs) and administration of HUD programs.

12. PROPOSED PROJECT

   Start Date:
   10/1/12

   Ending Date:
   9/30/13

   a. Applicant
   10 and 21

   b. Project
   10 and 21

13. ESTIMATED FUNDING:

   a. Federal
   $2,429,177

   b. Applicant
   $322,222

   c. State
   $0

   d. Local
   $0

   e. Other
   $0

   f. Program Income
   $0

   g. TOTAL
   $2,751,399

14. CONGRESSIONAL DISTRICTS OF:

   a. Yes  □ THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON
   Date:

   b. No  □ PROGRAM IS NOT COVERED BY E. O. 12372
   OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW

15. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?

   □ Yes If "Yes" attach an explanation.
   □ No

16. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?

   □ Yes

   □ No

17. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DUTY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

   a. Authorized Representative

   Prefix:
   Mr.

   Last Name:
   Lumbrreras

   First Name:
   Bert

   Middle Name:
   Suffix

   b. Title
   Assistant City Manager

   c. Telephone Number (give area code)
   (512) 974-1608

   d. Date Signed
   08/06/12

Standard Form 424 (Rev. 9-2003)
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APPLICATION FOR FEDERAL ASSISTANCE

1. TYPE OF SUBMISSION:
   □ Construction  □ Construction  □ Non-Construction  ☑ Non-Construction

2. DATE SUBMITTED  9/9/12

3. DATE RECEIVED BY STATE

4. DATE RECEIVED BY FEDERAL AGENCY

5. APPLICANT INFORMATION

   Legal Name: Organization Unit:
   City of Austin   Department: Neighborhood Housing and Community Development
   Organizational DUNS: 14-223-07654   Division:
   94-223-0764   Name and telephone number of person to be contacted on matters
   Address:   Involving this application (give area code)
   Street:   Prefix: Mrs.
   1000 East 11th Street, Suite 400   First Name: Elizabeth
   City: Austin   Middle Name: A.
   County: Travis   Last Name: Spencer
   State: Texas   Suffix:
   Zip Code: 78702-1945

6. EMPLOYER IDENTIFICATION NUMBER (EIN):

   74-8000035

7. TYPE OF APPLICATION:

   □ New  ☑ Continuation  □ Revision
   If Revision, enter appropriate letter(s) in box(es)
   (See back of form for description of letters.)
   Other (specify)

8. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:

   14-241

9. NAME OF FEDERAL AGENCY:

   U.S. Department of Housing and Urban Development

10. TITLE (Name of Program):

   Provision of rent, mortgage, utility assistance, supportive services,
   planning and administration of HUD programs.

11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:

   Housing Opportunities for Persons with AIDS

12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):

   Cities

13. PROPOSED PROJECT

   Start Date: 10/1/12  Ending Date: 9/30/13

14. CONGRESSIONAL DISTRICTS OF:

   a. Applicant
   b. Project
   10 and 21

15. ESTIMATED FUNDING:

   a. Federal  $ 1,100,219
   b. Applicant  $ 10
   c. State  $ 10
   d. Local  $ 10
   e. Other  $ 10
   f. Program income  $ 10
   g. TOTAL  $ 1,100,219

16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?

   □ Yes  ☑ No
   □ Yes if "Yes" attach an explanation.
   □ No
   a. Preapplication/Application was made available to the State Executive Order 12372
   PROCESS FOR REVIEW ON
   DATE:
   b. No.  ☑ PROGRAM IS NOT COVERED BY E. O. 12372
   □ OR PROGRAM HAS NOT BEEN SELECTED BY STATE
   FOR REVIEW

17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?

   □ Yes
   ☑ No
   a. Date Signed 08/04/12

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

   a. Authorized Representative
   Prefix:  First Name:  Middle Name:  Last Name:  Lumbreras  Suffix:  Title: Assistant City Manager  c. Telephone Number (give area code) (512) 974-1808  d. Signature of Authorized Representative  Date Signed 08/04/12

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Standard Form 424 (Rev 9-2003)
Prescribed by OMB Circular A-102
APPLICATION FOR FEDERAL ASSISTANCE

1. TYPE OF SUBMISSION:
   - [ ] Application
   - [ ] Construction
   - [x] Non-Construction

2. DATE SUBMITTED
   8/9/12

3. DATE RECEIVED BY STATE
   [ ] State Application Identifier

4. DATE RECEIVED BY FEDERAL AGENCY
   Federal Identifier

5. APPLICANT INFORMATION
   - Legal Name: City of Austin
   - Organizational DUNS: 94-223-0764
   - Address: 1000 East 11th Street, Suite 400
     - City: Austin
     - County: Travis
     - State: Texas
     - Zip Code: 78702-1945
     - Country: Last Name: Spencer
     - Prefix: Mrs.
     - Middle Name: A.
     - Suffix: Email: betsy.spencer@austintexas.gov

6. EMPLOYER IDENTIFICATION NUMBER (EIN):
   74-5600005

7. TYPE OF APPLICATION:
   - [ ] New
   - [ ] Continuation
   - [ ] Revision
   - Other (specify):
     - Revision

Phone Number (give area code): (512) 974-3182
Fax Number (give area code): (512) 974-3161

8. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:
   [ ] 14-231

10. TITLE (Name of Program):
    Emergency Solutions Grant

11. DESCRIPTIVE TITLE OF APPLICANT’S PROJECT:
    Provision of shelter and supportive services for persons experiencing homelessness and families, homeless prevention services, housing relocation and stabilization services, Homeless Management Information Systems (HMIS), planning, and administration of HUD Programs.

12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.):
    Cities

13. PROPOSED PROJECT
    - Start Date: 10/1/12
    - Ending Date: 9/30/13

14. CONGRESSIONAL DISTRICTS OF:
    a. Applicant
    b. Project

15. ESTIMATED FUNDING:
    - a. Federal
    - b. Applicant
    - c. State
    - d. Local
    - e. Other
    - f. Program Income
    - g. TOTAL $595,612

16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?
    - a. Yes
    - b. No

17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?
    - Yes
    - No

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DUTY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ABERRATIONS IF THE ASSISTANCE IS AWARDED.
    - a. Authorized Representative
      - Prefix
      - Last Name: Lumbreras
      - First Name: Bert
      - Middle Name
      - Suffix
      - Title: Assistant City Manager
      - Signature of Authorized Representative

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Standard Form 424 (Rev 9-2003)
Prescribed by OMB Circular A-102
CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing -- The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace -- It will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

2. Establishing an ongoing drug-free awareness program to inform employees about -
   (a) The dangers of drug abuse in the workplace;
   (b) The grantee's policy of maintaining a drug-free workplace;
   (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
   (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;

4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will -
   (a) Abide by the terms of the statement; and
   (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted:

(a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

**Anti-Lobbying** — To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

**Authority of Jurisdiction** — The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

**Consistency with plan** — The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

**Section 3** — It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.

Signature/Authorized Official 08/06/12

Assistant City Manager

Title
Specific CDBG Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that provide decent housing, expand economic opportunities primarily for persons of low and moderate income. (See CFR 24 570.2 and CFR 24 part 570)

Following a Plan -- It is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

1. **Maximum Feasible Priority.** With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);

2. **Overall Benefit.** The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) ______, ______ (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;

3. **Special Assessments.** It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its
jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

**Compliance With Anti-discrimination laws** -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

**Lead-Based Paint** -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, subparts A, B, J, K and R;

**Compliance with Laws** -- It will comply with applicable laws.

[Signature/Authorized Official]  [Date]

[Assistant City Manager]

[Title]
OPTIONAL CERTIFICATION
CDBG

Submit the following certification only when one or more of the activities in the action plan are designed to meet other community development needs having a particular urgency as specified in 24 CFR 570.208(c):

The grantee hereby certifies that the Annual Plan includes one or more specifically identified CDBG-assisted activities which are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

Signature/Authorized Official

Date

Title

Assistant City Manager
Specific HOME Certifications

The HOME participating jurisdiction certifies that:

**Tenant Based Rental Assistance** — If the participating jurisdiction intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the participating jurisdiction's consolidated plan for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing.

**Eligible Activities and Costs** — it is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in § 92.214.

**Appropriate Financial Assistance** — before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.

Signature/Authorized Official  
Date  

Title  

Assistant City Manager
ESG Certifications

The Emergency Solutions Grants Program Recipient certifies that:

**Major rehabilitation/conversion** – If an emergency shelter’s rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation. If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion. In all other cases where ESG funds are used for renovation, the jurisdiction will maintain the building as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

**Essential Services and Operating Costs** – In the case of assistance involving shelter operations or essential services related to street outreach or emergency shelter, the jurisdiction will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the jurisdiction serves the same type of persons (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

**Renovation** – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

**Supportive Services** – The jurisdiction will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, victim services, counseling, supervision, and other services essential for achieving independent living), and other Federal State, local, and private assistance available for such individuals.

**Matching Funds** – The jurisdiction will obtain matching amounts required under 24 CFR 576.201.

**Confidentiality** – The jurisdiction has established and is implementing procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

**Homeless Persons Involvement** – To the maximum extent practicable, the jurisdiction will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted under the program.

**Consolidated Plan** – All activities the jurisdiction undertakes with assistance under ESG are consistent with the jurisdiction’s consolidated plan.

**Discharge Policy** – The jurisdiction will establish and implement, to the maximum extent practicable and where appropriate policies and protocols for the discharge of persons from
publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.

Signature/Authorized Official

Date

Assistant City Manager

Title
HOPWA Certifications

The HOPWA grantee certifies that:

**Activities** — Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

**Building** — Any building or structure assisted under that program shall be operated for the purpose specified in the plan:

1. For at least 10 years in the case of assistance involving new construction, substantial rehabilitation, or acquisition of a facility,

2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

Signature/Authorized Official 08/06/12

**Assistant City Manager**

Title
APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

B. Drug-Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.

2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.

3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.

4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).

5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).

6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:
Check ___ if there are workplaces on file that are not identified here.

This information with regard to the drug-free workplace is required by 24 CFR part 21.

7. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

"Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).
The City of Austin is committed to compliance with the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, as amended and does not discriminate on the basis of disability in the admission or access to, or treatment or employment in, its programs and activities. Dolores Gonzalez is the City’s ADA/Section 504 Coordinator. If you have any questions or complaints regarding your ADA/Section 504 rights, please call her at (512) 974-3256 (voice) or (512) 974-2445(TTY).
## EXHIBIT B

### Change Log to Draft FY 2012-13 Action Plan

<table>
<thead>
<tr>
<th>Type of Change</th>
<th>Changes</th>
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<tr>
<td>Content Change - CC</td>
<td>CC 22</td>
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<tr>
<td>Programmatic/Activity Change - PC</td>
<td>PC 4</td>
</tr>
<tr>
<td>Funding Change - FC</td>
<td>FC 0</td>
</tr>
<tr>
<td>General Editing - GE</td>
<td>GE 19</td>
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<td>Total Changes</td>
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### Section Type of Change Change

#### Chapter 1 - Executive Summary
- Content Change - CC: Revised Austin/Travis County Health and Human Services Department description, (p. 1-3)
- Content Change - CC: Revised program goals and accomplishments, (p. 1-9)

#### Chapter 1 - Executive Summary
- Content Change - CC: Inserted information about Draft Comment Period, Community Development Commission's (CDC) July 10th meeting and Austin City Council's August 2nd meeting, (p. 1-22)

#### Chapter 2 - Funding and Resources
- Content Change - CC: Revised FY 2011-12 Projected Funding and Match for Communicable Disease Unit Rapid Rehousing Program and ARCH Homeless Management Information Systems, (p. 2-22)

#### Chapter 3 - Federal Objectives
- Content Change - CC: Inserted stakeholder meeting related to the Holly Good Neighbor program, (p. 3-15)

#### Chapter 4 - Local Objectives
- Content Change - CC: Revised Child Care Services program description, (p. 6-15)

#### Chapter 6 - Activity Tables
- Content Change - CC: Inserted Maps, charts and graphs displaying Austin's housing and demographic data.
- Content Change - CC: Revised Financial Empowerment proposed FY 2012-13 goal. (p. 1-9)
- Content Change - CC: Inserted Draft Comment Period testimony in Appendix I: Public Input Process.
- Content Change - CC: Updated affordable Housing Siting Policy Interim Update.
- Content Change - CC: Updated the Affordable Housing Siting Policy Interim Update.

#### Appendices
- Content Change - CC: Inserted Maps.
- Content Change - CC: Inserted Standard and Substandard Housing Definition.
- Content Change - CC: Inserted Residential Anti-Displacement and Relocation Plan.
- Content Change - CC: Updated Down Payment Assistance (DPA) program guidelines, (p. 3-16)
- Content Change - CC: Inserted Residential Anti-Displacement and Relocation Plan.
- Content Change - CC: Revised Down Payment Assistance (DPA) program description, (p. 6-15)
- Content Change - CC: Updated Down Payment Assistance (DPA) program guidelines, (p. 6-24)
- Content Change - CC: Updated Community Development Commission (CDC) Working Groups.
- Content Change - CC: Updated Section 3 Plan.
- Content Change - CC: Inserted Community Development Commission (CDC) Working Groups.
- Content Change - CC: Inserted Community Development Commission's (CDC) FY 2012-13 Action Plan Recommendation.
- Content Change - CC: Inserted public notice - reprogramming of American Recovery and Reinvestment Act (ARRA) - Community Development Block Grant (CDBG-R) funding.
- Content Change - CC: Inserted Texas Department of Housing and Community Affairs (TDHCA) 2012 Rent and Income Levels chart.
- Content Change - CC: Inserted Grant Applications and Certifications.

#### Chapter 1 - Executive Summary
- Programmatic/Activity Change - PC: Inserted Financial Empowerment proposed FY 2012-13 goal. (p. 1-9)

#### Chapter 2 - Funding and Resources
- Programmatic/Activity Change - PC: Inserted Financial Empowerment proposed FY 2012-13 goal. (p. 2-9)

#### Chapter 6 - Activity Tables
- Programmatic/Activity Change - PC: Inserted the Individual Account Development (IDA) FY 2012-13 proposed goal, (p. 6-47)
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<tr>
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<td>GE</td>
<td>Modified page numbers and inserted additional Appendices.</td>
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<tr>
<td>Chapter 1 - Executive Summary</td>
<td>GE</td>
<td>Referenced Texas Department of Housing and Community Affairs (TDHCA) 2012 Rent and Income chart in Appendices. (p. 1-6)</td>
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<td>Chapter 1 - Executive Summary</td>
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<td>Inserted draft comment period summary, action by the Community Development Commission (CDC), and action by the Austin City Council. (p. 1-22)</td>
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## EXHIBIT B

<table>
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<td>Chapter 1 - Executive Summary</td>
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<td>Revised all exhibit numbers.</td>
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<td>GE</td>
<td>Revised all exhibit numbers.</td>
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<tr>
<td>Chapter 2 - Funding and Resources</td>
<td>GE</td>
<td>Revised program name to Short-Term Supported Housing Assistance. (p. 2-6 and 2-14)</td>
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<td>Chapter 3 - Federal Objectives</td>
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<td>Revised exhibit title. (p. 2-21)</td>
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<td>Chapter 3 - Federal Objectives</td>
<td>GE</td>
<td>Referenced Resale and Recapture Policy. (p. 3-25)</td>
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<td>Chapter 4 - Local Objectives</td>
<td>GE</td>
<td>Referenced maps in Appendices displaying the geographic distribution of the City's proposed projects and the City's Neighborhood Planning Areas. (p. 3-30)</td>
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<tr>
<td>Chapter 4 - Local Objectives</td>
<td>GE</td>
<td>Referenced Mueller Affordability Report. (p. 4-18)</td>
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<td>GE</td>
<td>Referenced Working Groups member list. (p. 4-30)</td>
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<td>Inserted IDIS Project numbers.</td>
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<tr>
<td>Chapter 6 - Activity Tables</td>
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<td>Revised FrontSteps HESG11: Homeless Management Information Systems (HMIS) program matrix code. (p. 6-6)</td>
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<tr>
<td>Chapter 6 - Activity Tables</td>
<td>GE</td>
<td>Revised Downtown Austin Community Court - HESG11: Housing Relocation and Stabilization Services program matrix code. (p. 6-8)</td>
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<td>Chapter 6 - Activity Tables</td>
<td>GE</td>
<td>Revised project description for the Family Business Loan Program. (p. 6-45)</td>
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<tr>
<td>Chapter 6 - Activity Tables</td>
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<td>Revised project description for the Family Business Loan Debt Service. (p. 6-50)</td>
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## FY 2012-13 Action Plan Budget: New Federal Funding Sources

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<th><strong>HOMELESS/SPECIAL NEEDS ASSISTANCE</strong></th>
<th><strong>Funding Source</strong></th>
<th><strong>New Funding</strong></th>
<th><strong>Proposed FY 2012-13 Accomplishment</strong></th>
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<td><strong>Emergency Solutions Grant - FY 2012-14</strong></td>
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<td>Shelter Operation and Maintenance</td>
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<td>Front Steps - HESG112 HMIS</td>
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<td>CDU Rapid Rehousing Services</td>
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<td>Front Steps - HESG11 HMIS</td>
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<td>Downtown Community Court - HESG 11: Housing Relocation and Stabilization Services</td>
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<td>Downtown Community Court - HESG 11: Homeless Management Information System</td>
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<td><strong>Housing Opportunities for Persons for AIDS</strong></td>
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<td>Short-Term Rent, Mortgage, and Utility</td>
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<td>Permanent Housing Placement</td>
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<td><strong>Subtotal, Housing Opportunities for Persons with AIDS</strong></td>
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<td>RENTER ASSISTANCE</td>
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<td>Tenants' Rights Assistance</td>
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<td><strong>Subtotal, Renters Assistance</strong></td>
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| HOMEBUYER ASSISTANCE                    |                |             |                                   |
| Housing Smarts                          |                |             |                                   |
| Foreclosure Prevention Counseling       |                |             |                                   |
| Spanish Homebuyer Counseling            |                |             |                                   |
| **Subtotal, Housing Smarts**            |                |             |                                   |
| Down Payment Assistance                 | HOME           | 397,543     | 15                                |
| **Subtotal, Down Payment Assistance**   | HOME-PI        | 240,500     | 15                                |
| **Subtotal, Homebuyer Assistance**      |                | 638,043     | 15                                |

<p>| HOMEOWNER ASSISTANCE                    |                |             |                                   |
| Architectural Barrier Removal Program - Owner | CDBG           | 1,509,653   | 111                               |
| Emergency Home Repair Program           | CDBG           | 1,000,000   | 475                               |
| Homeowner Rehabilitation Loan Program   | HOME           | 811,044     | 10                                |
| <strong>Subtotal, Homeowner Rehab</strong>           | HOME-PI        | 9,500       |                                   |
| <strong>Subtotal, Homeowner Rehab</strong>           | CDBG-RL        | 24,000      |                                   |
| <strong>Subtotal, Homeowner Assistance</strong>      |                | 844,544     | 10                                |
| LeadSmart Program                       | Lead           |             | 60                                |
| G.O. Repair! Program                   | CDBG           | 400,000     | 26                                |
| Holly Good Neighbor Program             |                |             |                                   |
| <strong>Subtotal, Homeowner Assistance</strong>      |                | 3,754,197   | 682                               |</p>
<table>
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<th>Funding Source</th>
<th>New Funding</th>
<th>Proposed FY 2012-13 Accomplishment</th>
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**HOUSING DEVELOPER ASSISTANCE**

Rental Housing Development Assistance

Acquisition and Development

CHDO Operating Expenses Grants

Developer Incentive-Based Programs

S.M.A.R.T. Housing™

**COMMERCIAL REVITALIZATION**

East 11th and 12th Streets Revitalization

Acquisition and Development

(Previously: Façade Improvement Program)

Historic Preservation

Public Facilities

Parking Facilities

**Exhibit C**

Page 3 of 4
## SMALL BUSINESS ASSISTANCE
- Community Development Bank: CDBG, $150,000
- Microenterprise Technical Assistance: CDBG, $200,000
- Family Business Loan Program: -

Subtotal, Small Business Assistance: $350,000

## FINANCIAL EMPOWERMENT
- Individual Development Account: -

Subtotal, Financial Empowerment: -

## DEBT SERVICE
- Neighborhood Commercial Mgmt, Debt Service: CDBG, $- (Section 108)
- East 11th and 12th Streets Revital, Debt Service: CDBG, $605,774 (Section 108-PI), $190,000 (CDBG-PI)
- Family Business Loan Program, Debt Service: CDBG-PI, $95,188 (Section 108-PI)

Subtotal, Debt Service: $890,942

## ADMINISTRATION
- CDBG: $1,338,568
- CDBG-PI: $30,400
- HOME: $242,918
- HOME-PI: $32,222
- ESG: $44,671
- HOPWA: $33,007

Sustainable Communities Initiative: $1,721,786

Subtotal, Administration: $1,721,786

### TOTAL, Programs, Debt Service, and Administration Cost
- $11,601,256
- $13,140

Exhibit C
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