

Why is a Preservation Important?

- Cost Efficient
 - Utilizes existing infrastructure already in place
 - Can be targeted to provide a wide range of positive community outcomes
- Environmentally Responsible
- Greater Positive Impact on the Local Economy and Local Job Creation
- Aligns with Local Planning Initiatives
 - Makes “Complete Communities” Possible - includes a wide range of housing types and price points, throughout Austin.



Cornerstone was preserved as affordable, energy efficient units for persons with special needs, single mothers with young children and persons with disabilities. This area of South Lamar, a high opportunity areas, close to downtown Austin is now becoming much less affordable.

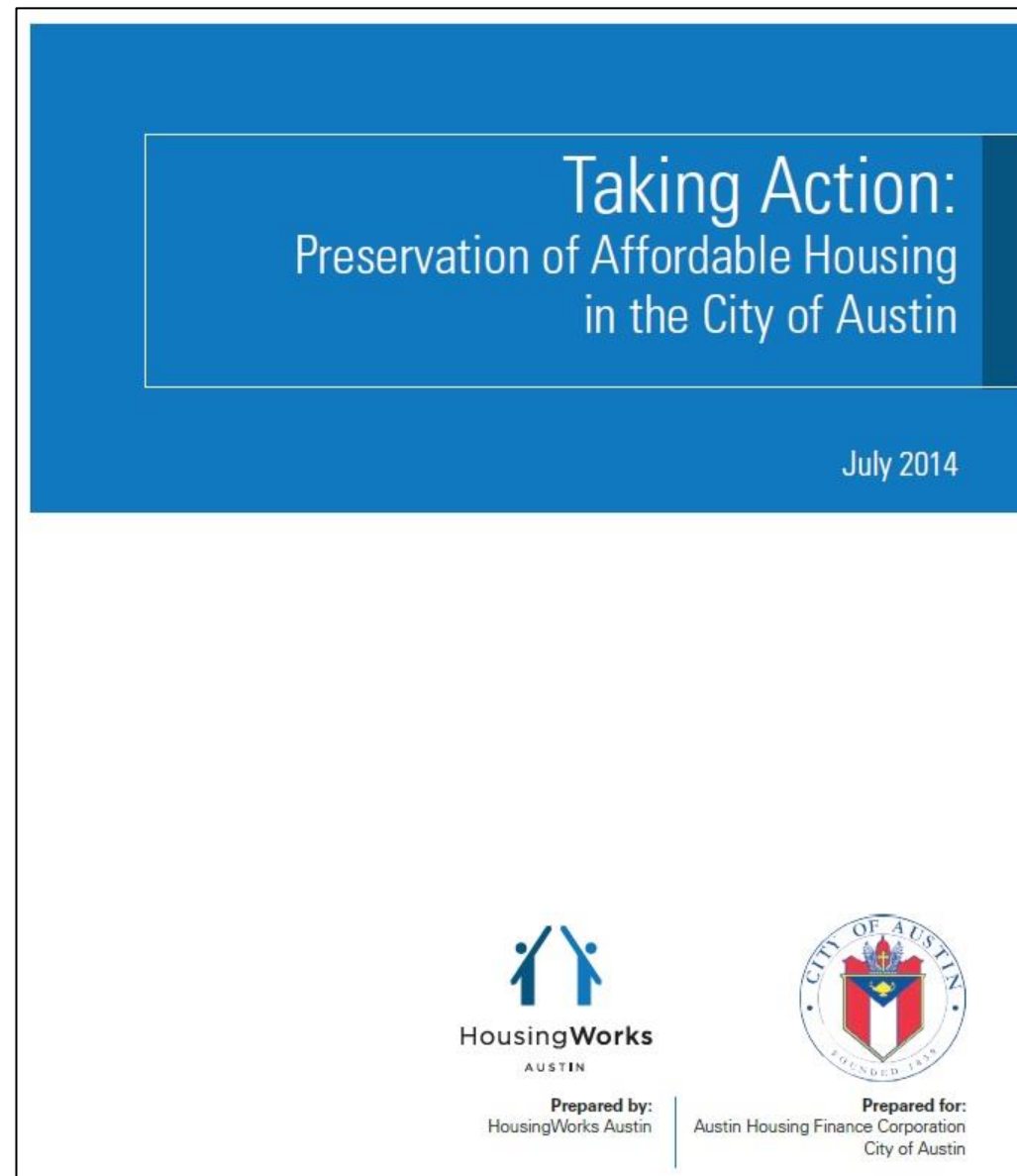


Preservation Timeline and Tasks

Responsive to Resolution 20141016-034

I. Establish a Baseline of Aging Multi-Family Housing Stock

- ✓ Baseline Established in Taking Action: Preservation of Affordable Housing Report - **Completed**
 - More than 62,000 units affordable to households \leq 60% MFI
 - Evaluating apartments with 50+ units there are approximately 25,000 rental units affordable to households \leq 50% MFI





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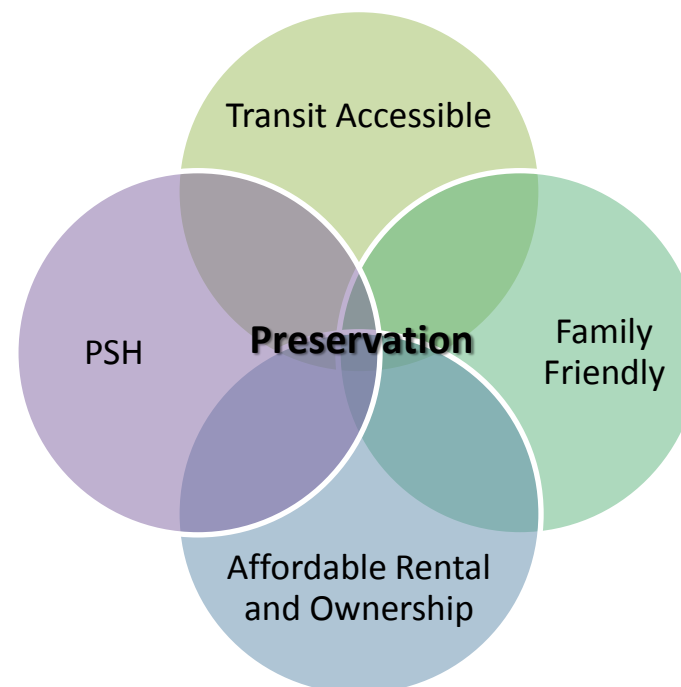
II. Set Goals to Support Preservation, Identify Opportunities for Further Preservation Initiatives

A. Set Goals to Support Preservation

- ✓ On October 16, 2014 City Council adopted a goal of 20,000 units over the next 20 years - **Completed**
 - The City will preserve approximately 1/3rd of the current Class C rental housing stock over the next 20 years
- ✓ Establish additional goals to collectively to achieve multiple positive outcomes with preservation - **Completed**
 - Preserve affordable housing in and around high frequency transit service
 - Prevent and end homelessness by creating greater access to low barrier affordable housing and more PSH units
 - Increase housing opportunities for families with children which include family-sized units with two or more bedrooms
 - Goals for affordable rental units and ownership units established in the 2014 Comprehensive Housing Market Study
 - Develop subpopulation goals for the Chronically Homeless, Families w/Children, Persons w/Disabilities, Seniors & Veterans

B. Identify Opportunities for Further Preservation Initiatives

- Establish standard process and platform for measuring progress toward achieving goals transparently – *In Progress*
- Re-review scoring criteria & conduct stakeholder process to amend responsive to new goals – *Summer 2015*





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III. Utilize Existing Tools and Initiatives

- ✓ Increased Prioritization of Preservation in Rental Housing Developer Assistance (RHDA) Scoring Criteria – **Completed**
- ✓ Utilize Austin Housing Finance Corporation (AHFC) to establish Creative Partnerships – Continuing
(i.e. Ground Leasing, the Timbers, etc...)
- ✓ Increase Amount of Data Collected and Prioritize Funding – Continuing
To balance among goals, ensuring all are on track
For Intervention of Project Based Section 8 Mortgages
(i.e. Elm Ridge, Marshall, Oak Creek Village, etc...)





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IV. Develop Financial Strategies & Tools for Sustainable Approaches to Achieving Preservation of Affordable Housing

Recommendation #1: Adopt the Homestead Preservation Districts

- Ongoing Work with Stakeholders for Action

Recommendation #2: Maximize Tax Incentives for Preservation

- Ongoing Work with Stakeholders for Action

Recommendation #3: Develop an Affordable Housing Preservation Strike Fund

Phase I: Setting the Vision

- ✓ Apply for Technical Assistance from the Low Income Investment Fund (LIIF) - **Completed**
- Develop Organizing Committee for the Capital Absorption Workshop – March 4, 2015 (Tentative)
- Capital Absorption Workshop – Spring 2015

Phase II: Develop Terms and Conditions for Fund Deployment

- Eligible Borrowers, Purposes, Loan Sizes, Fees and Terms, Interest Rates, Repayment and Other Terms - TBD

Phase III: Develop Framework for Fund Administration

- Identification of Potential Funders - TBD
- Determine Fund Manager(s) and Operator(s) – TBD

Phase IV: Develop Framework for Fund Operation

- Establish Eligibility Criteria – TBD
- Determine Loan and Grant Terms - TBD

Phase V: Deployment of the Fund – TBD

Recommendation #4: Reconvene a Stakeholder Group

- Ongoing Work with Stakeholders for Action

What is a Strike/Preservation Fund?


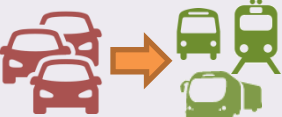




- A special pool of funding focused on preserving affordable housing in tandem with other community needs – a **Win-Win!**
- The fund will offer funding products that do not currently exist and are designed to help overcome barriers frequently experienced when striving to preserve affordability in Austin
- Needs to offer rates and terms that make the numbers work – interest rates, longer durations than usual affordable housing loans
- A properly executed fund can:
 - Address multiple community needs
 - Offer a range of products that help the community
 - Creates investments a broader range of foundations and others organizations may find appealing due to the multifaceted approach

Austin Strike/Preservation Fund

Goal: Preserve at least 1,000 units of affordable housing annually, prioritizing units at the greatest risk of becoming unaffordable in the near term, or near transit.

Potential Interested Partners are being Identified, and Informed about the Initiative

What Might this Look Like in Austin?

Potential Community Benefits	How Achieved?	Some Potential Partners that May Be Interested
 Preservation of Affordable Housing	Direct Preservation of Affordable Housing	City of Austin – NHCD, Travis County, Enterprise, Austin Interfaith, Habitat for Humanity, Goodwill, others...
 Increase in Utilization of Public Transportation	Preservation of Affordable Housing near Transit Infrastructure	City of Austin – Transportation Department, CAMPO, Capital Metro, Project Connect, Lone Star Rail District, CARTS, others...
 Increase Public Health Outcomes	Preservation of Affordable Housing in more walkable areas with greater access to fresh food; decreased health service utilization	Austin/Travis County – Health and Human Services, Central Health, Seton Foundation, St. David’s HealthCare Partnership, YMCA, YWCA, others...
 Increase in Academic Performance	Preservation of Affordable Housing in High Opportunity Areas with High Performing Schools	AISD, Michael and Susan Dell Foundation, Austin Community Foundation, Austin Public Education Foundation, 3M Gives, Applied Materials Foundation, ACC Foundation, others...
 Increase Workforce Housing Near Jobs & Housing for Artists	Preservation of Workforce Affordable Housing Near Job Centers & Housing for Artists	City of Austin – Economic Development Department, Artspace, Long Foundation, others...
 Decrease in CO ₂ and Other Greenhouse Gas Emissions (GHG)	Reduction in Auto Dependency & Increase in Transit Utilization by Preserving Affordable Housing near Public Transportation	City of Austin Office of Sustainability, Austin Energy, Center for Resource Solutions, IBM Foundation, others...