



# Neighborhood Housing and Community Development Department

Providing Opportunities, Changing Lives

# Home Repair and Financial Empowerment Programs

## Financial Empowerment:

- ▶ Down Payment Assistance
- ▶ HousingSmarts Home Buyer Education
- ▶ Individual Development Account (IDA) Program
- ▶ Community Land Trust (CLT) Program

## Home Repair:

- ▶ Lead Healthy Homes Grant
- ▶ Architectural Barrier Removal (ABR)
- ▶ Home Repair Loan
- ▶ Private Lateral Pipeline Grant



# HousingSmarts Program

- ▶ **FREE homebuyer education training**
  - ▶ Teaches first-time home buyers and others how to manage and improve their credit and finances, obtain a mortgage, shop for a home, and protect their investment
  - ▶ A HousingSmarts graduation certificate satisfies many homebuyer education training requirements
- ▶ **Eligibility**
  - ▶ Live within Austin city limits
  - ▶ At or below 80% Median Family Income
  - ▶ All City employees are eligible



# Down Payment Assistance (DPA)

- ▶ Assistance with down payment, eligible closing costs and pre-paid expenses depending on financial need
- ▶ Standard DPA: \$1,000 to \$14,999
  - ▶ Deferred, 0% interest loan, 5 year term
- ▶ Shared Equity DPA: \$15,000 to \$40,000
  - ▶ Deferred, 0% interest loan
  - ▶ 10 year note, 30 year lien and shared equity



# Eligibility

- ▶ Single-family home, condo or town home in city of Austin
- ▶ At or below 80% Median Family Income
- ▶ First-time homeowner
  - ▶ Haven't owned a home in the last three years or have been displaced because of divorce or for another reason
- ▶ Have or will complete HousingSmarts
- ▶ Approved for a mortgage loan from a participating lender
- ▶ Sales price must not exceed FHA limits
  - ▶ \$217,000 for existing and newly built homes



# Individual Development Account (IDA)

- ▶ Provides matched funds and classes to assist with:
  - ▶ Higher Education
  - ▶ Purchasing a home
  - ▶ Investing in a small business endeavor
- ▶ **4:1 Matched Funds** - City will match \$4 for every \$1
  - ▶ Max Savings = \$1000 and Max Match = \$4000
  - ▶ Double for eligible households
- ▶ Required education focusing on specific goal



# Eligibility

- ▶ Income at or below 200% federal poverty guidelines OR
- ▶ Eligible to receive support under Federal Temporary Assistance for Needy Families (TANF) program OR
- ▶ Eligible for Earned Income Tax Credit (EITC)

## **AND**

- ▶ Live within Austin city limits
- ▶ Have less than \$10,000 net worth
- ▶ Have earned income
- ▶ Be able to spend the funds within two years



# Community Land Trust

- ▶ To make homeownership more affordable, CLTs allow homebuyers to purchase the house and rent the land from the city through a 99-year ground lease
- ▶ Eligibility
  - ▶ Graduation from HousingSmarts class
  - ▶ First-time Homebuyer
  - ▶ Are and have been employed for the past two years
  - ▶ At or below 80% Median Family Income
  - ▶ Minimum of \$1,000 in savings



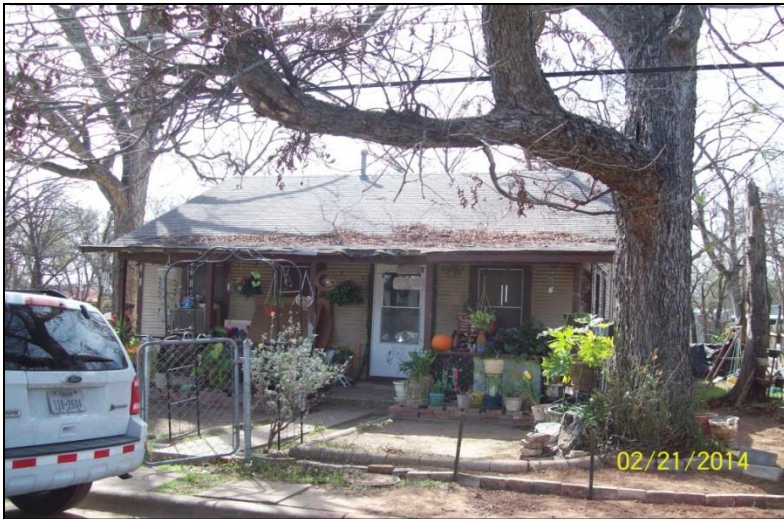


# Lead Healthy Homes Offers

- ▶ Houses built before 1978 may contain lead, which has been found to have especially negative effects on children
- ▶ Lead HH offers up to \$30,000 in **FREE** services
  - ▶ Lead poisoning testing for children
  - ▶ Home inspections for lead
  - ▶ Lead removal
  - ▶ Risk Assessments
  - ▶ Lead Abatement
  - ▶ Relocation of occupants
  - ▶ Removal and storage of contents



# Before and After



# Architectural Barrier Removal (ABR)

- ▶ Up to \$15,000 grant to modify or retrofit the homes of elderly and/or severely disabled homeowners and renters to increase self-sufficiency, mobility, and safety
  - ▶ Handrails
  - ▶ Door widening
  - ▶ Buzzing or flashing devices (for persons with impaired hearing or vision)
  - ▶ Accessible door handles or faucet handles
  - ▶ Shower grab bars
  - ▶ Shower wands
  - ▶ Elevated toilets
  - ▶ Accessible sinks and showers





# ABR Before and After



# HRLP Offers

- ▶ General repairs to bring homes up to building code standards and make them safe and sanitary
  - ▶ Foundation, roof, plumbing, HVAC system, electrical work and other major interior and exterior repairs
- ▶ HRLP Rehabilitation
  - ▶ 0% interest, 15 year deferred forgivable loan
  - ▶ Assistance \$15,000-\$75,000
- ▶ HRLP Reconstruction
  - ▶ 0% interest, deferred loan forgiven over 20 years
  - ▶ 25% shared equity, 30 year term

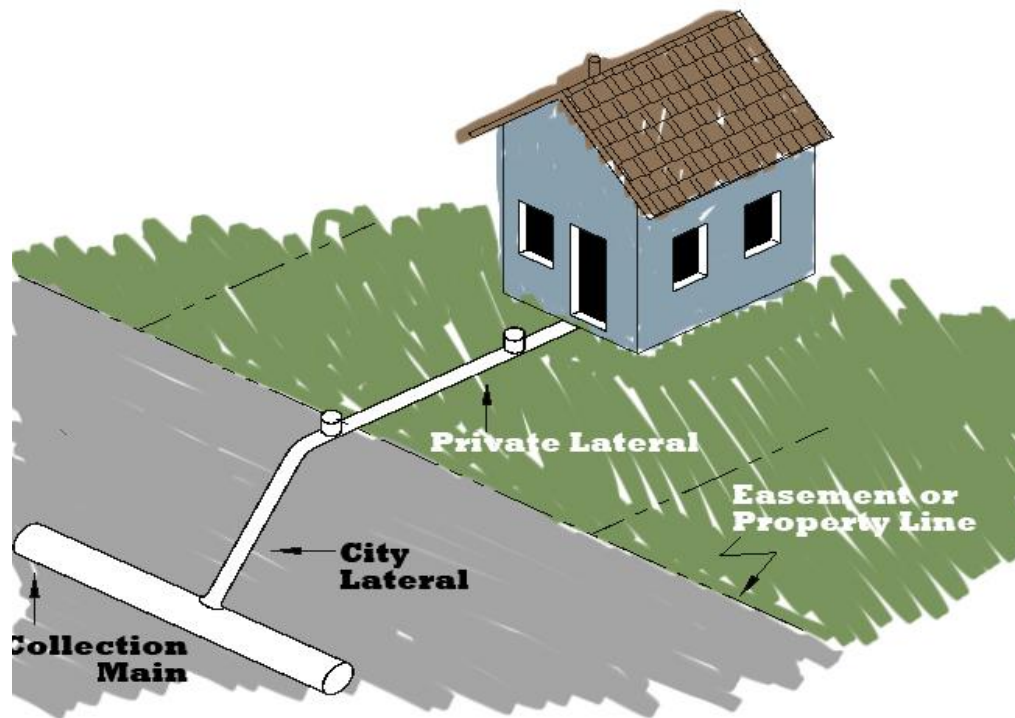


# HRLP Before and After



# Private Lateral Pipeline Grant (PLP)

- ▶ Reparation or replacement of Private Lateral pipelines
  - ▶ PLP is the portion of the wastewater service line located on property that connects building structure to the City wastewater main located in the street right-of-way or Utility easement.





# Eligibility Home Repair

- ▶ General Requirements:

- ▶ 80% MFI & within full-purpose Austin city limits

- ▶ Program Specific Requirements:

- ▶ Lead

- ▶ Within Austin city limits OR Travis County
    - ▶ Have a child under age 6 living in or visiting home 6+ hours a week

- ▶ ABR

- ▶ Applicant or household member at least age 62 OR severely disabled

- ▶ HRLP

- ▶ Clear property title and ownership interest solely in applicants' names
    - ▶ Single-family detached home

- ▶ PLAT

- ▶ 100% MFI & violation notice from AWU about Private Lateral Pipeline





# Austin Area Median Family Income (MFI)

## Federal Poverty Guidelines

Income	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
<b>200% Federal Poverty</b>	\$23,540	\$31,860	\$40,180	\$48,500	\$56,820	\$65,140	\$73,460	\$81,780
<b>80% MFI</b>	\$43,050	\$49,200	\$55,350	\$61,450	\$66,400	\$71,300	\$76,200	\$81,1500



# **City of Austin Developer Incentive Programs**



## **Policy Overview**



# What are Developer Incentives?

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Incentive-based programs to grant additional entitlements or privileges in return for community benefits.

## Entitlements/Privileges can include:

- Additional density (FAR: Floor Area Ratio) or units per acre
- Additional height
- Parking reductions
- Fee waivers or expedited review

**Bonus**

**Allowable  
Under  
Current  
Zoning**

## Community Benefits can include:

- Affordable housing (units or fee)
- Public open space

# Why are Developer Incentives Important to Austin?

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- Opportunity to tie together clearly identified benefits and costs to the gain of both community and developer.
- To allow new development to offset some of the community burdens it creates.
- State law limitations on affordable housing (no inclusionary zoning).
- To allow and encourage added density in locations where that density is desired.

# What are Austin's Programs?

## Development Agreements

- **PIDs** – Public Improvement Districts
- **MUDs** – Municipal Utility Districts
- 380 Agreements
- City Council Directed Agreements

## S.M.A.R.T. Housing

- **S.M.A.R.T.** – **S**afe, **M**ixed-Income, **A**ccessible, **R**easonably-Priced, and **T**ransit-Oriented

## Density Bonuses

- **DDB** – Downtown Density Bonus
- **ERC** – East Riverside Corridor
- **NBG** – North Burnet Gateway
- **TOD** – Transit Oriented Development
- **UNO** – University Neighborhood Overlay
- **VMU** – Vertical Mixed Use
- **PUDs** – Planned Unit Developments

# Development Agreements

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Austin utilizes private development agreements as a tool to negotiate the inclusion of community benefits in exchange for various development requests.

- Affordable housing requirements vary from agreement to agreement
- Generally attached to a Planned Unit Development, Municipal Utility District, Public Improvement District approval process, or the sale of City owned land

Examples:

Mueller Development  
Seaholm  
Green

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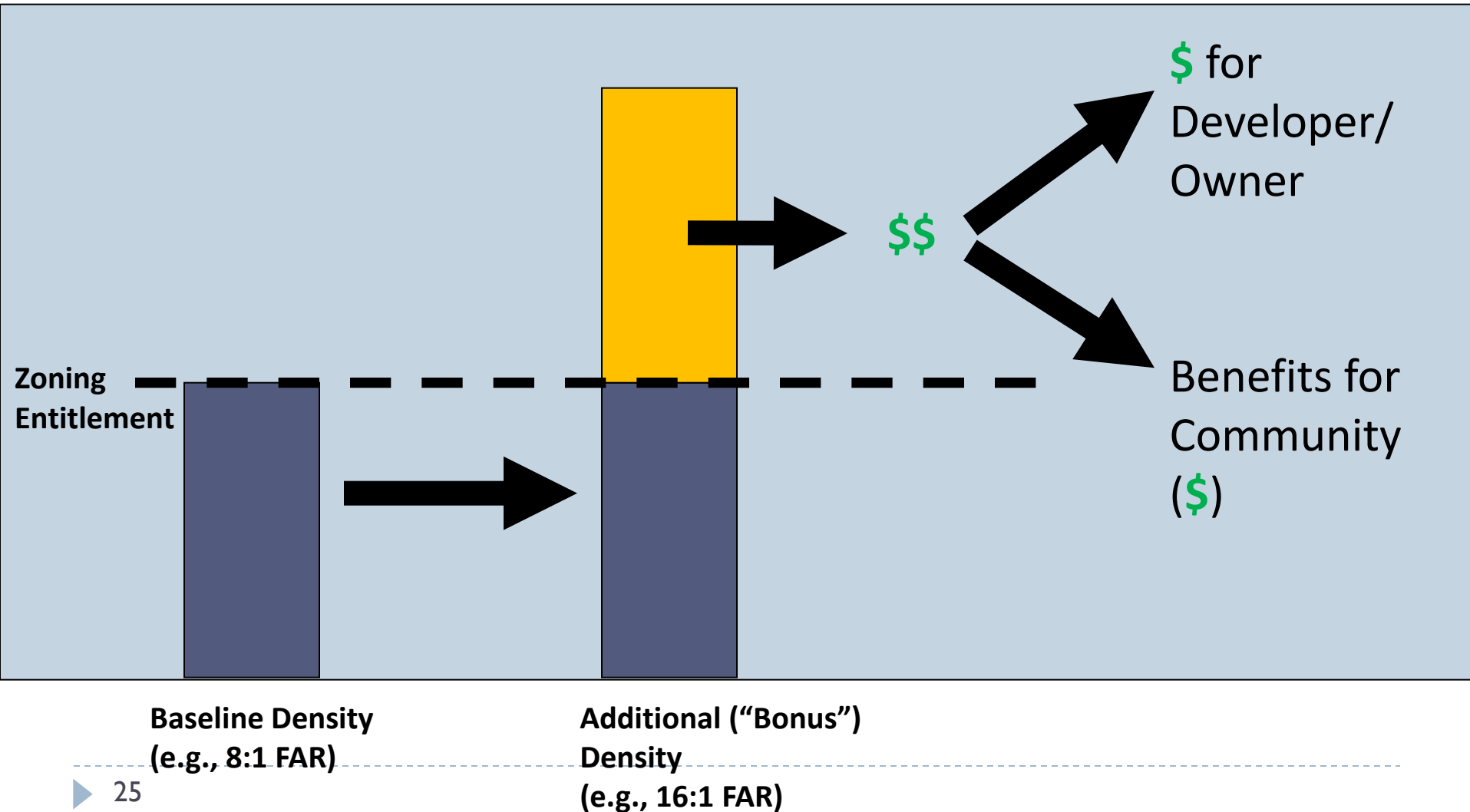
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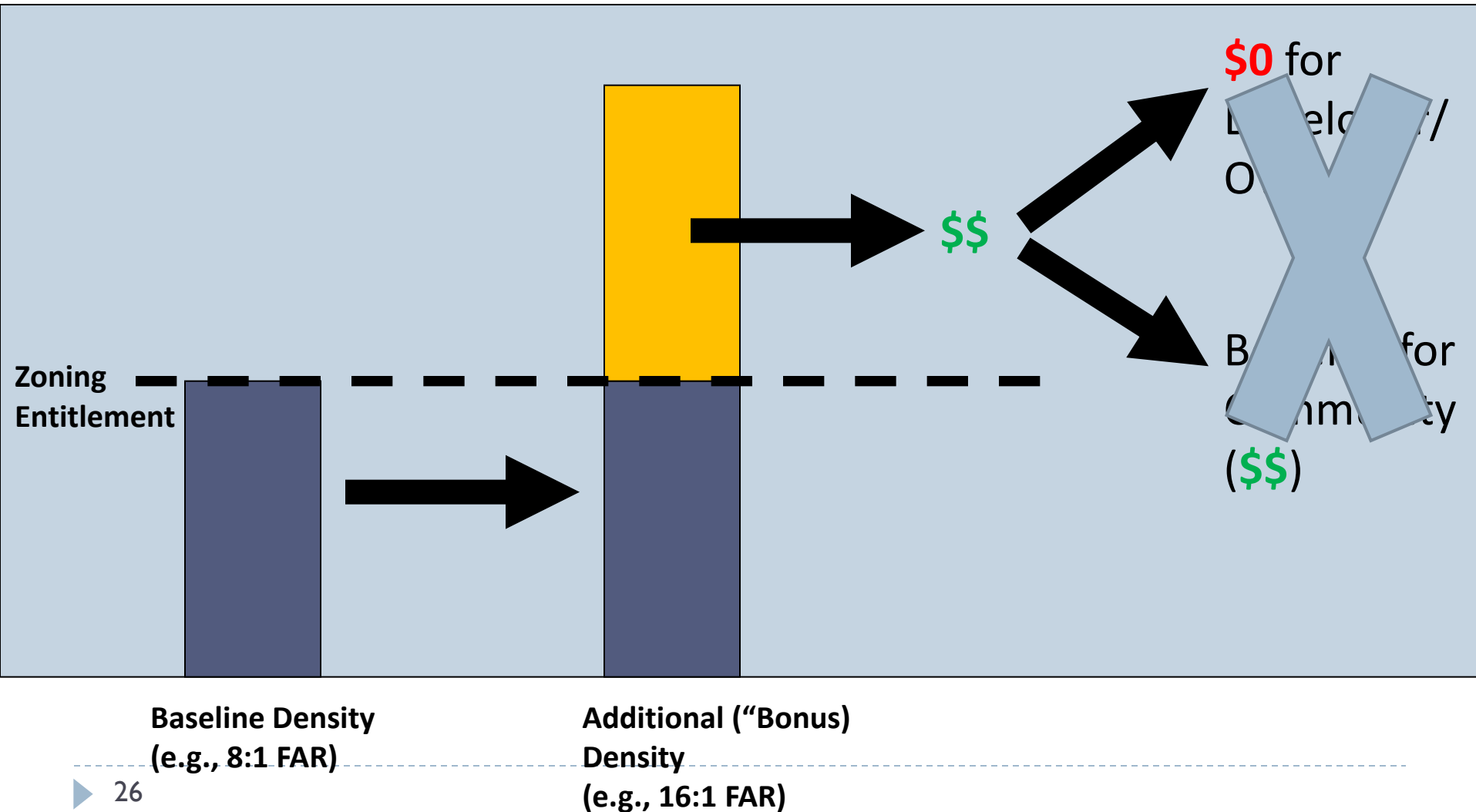
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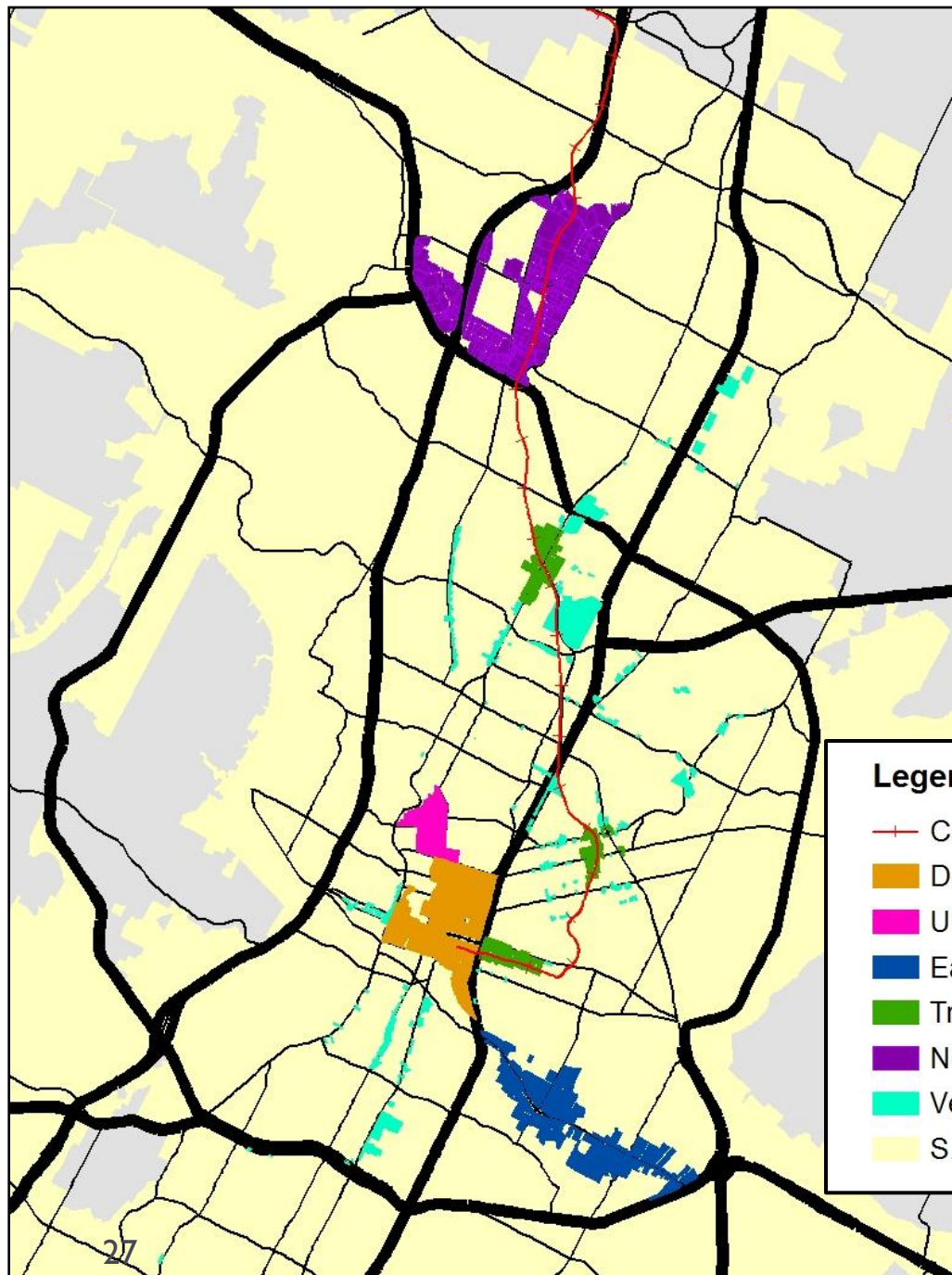
# How do Density Bonuses Work?



# How do Density Bonuses Work?



# Density Bonus Areas



## Legend

- Capital Metro Red Line
- Downtown Density Bonus
- University Neighborhood Overlay
- East Riverside Corridor
- Transit Oriented Development
- North Burnet Gateway
- Vertical Mixed Use
- S.M.A.R.T. Housing & Planned Unit Development

# Density Bonus Programs Summary

Model	Affordability MFI	Fee-in-lieu	Fee dedication
Downtown Density Bonus	120% Ownership / 80% Rental	\$3-\$10/bonus square foot	Permanent Supportive Housing
North Burnet Gateway	80% Ownership / 60% Rental	\$6/bonus square foot (100% of fee for residential and 50% of fee for non-residential go to Housing Trust Fund)	Affordable housing w/in 2 mi. of Burnet Rd/Braker Ln
East Riverside Corridor	80% Ownership / 60% Rental	\$0.5/bonus square foot (fee option is limited to buildings over 90 feet)	Housing Trust Fund for general use
University Neighborhood Overlay	60% AND 50% Rental	\$1/square foot of net rentable floor area in the multi-family residential use or group residential use (fee option is limited to satisfying a portion of affordability req. for the Height Bonus)	University Neighborhood District Housing Trust Fund
Planned Unit Development	80% Ownership / 60% Rental	Fee option dependent on Council approval (\$6/bonus square foot)	Housing Trust Fund for general use
Transit Oriented Development	MFI varies by district	Fee option dependent on Council approval (\$10/bonus square foot)	Within 1/2mile of the TOD area
Rainey Street	80% Ownership / 80% Rental	No fee option	No fee option
Vertical Mixed Use	100-80% Ownership / 80-60% Rental	No fee option	No fee option

# Conclusion

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- Supports Imagine Austin
  - creating complete communities
  - household affordability
  - geographic dispersion
  - healthy walkable Austin
  - supports investments and transit users
- Potentially include higher opportunity areas
- Focused around transit (except PUDs)
- Many different regulations could be standardized
- Fees-In-Lieu vs. Onsite Units
- One of few tools for affordable housing without subsidy
- CodeNEXT – need to preserve developer incentives

# How to Apply for Programs

- ▶ Call: 512-974-3100 for information
- ▶ Visit: [austintexas.gov/empower](http://austintexas.gov/empower)
- ▶ Mail an application to:  
NHCD  
PO Box 1088  
Austin, TX 78767

**Neighborhood Housing and  
Community Development Office (NHCD)  
Austin Finance Corporation (AHFC)**

