

Comments on the Draft Austin Strategic Housing Plan
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General Comments:

- This paper is more *prescriptive* than descriptive, which is unfortunate. This white paper could be the place where NHCD and its extensively skilled and credentialed affordable housing experts could demonstrate the depth and breadth of their scholarly understanding of Austin's affordable housing crisis. What this document furnishes instead are mostly milquetoast recommendations that are not sufficiently supported by empirical evidence and comparisons with other American cities. It also demonstrates a lack of knowledge and engagement with how cities around the world have both historically and recently tackled housing affordability crises.
- This plan mostly focuses on affordable housing *production* not preservation. This is short-sighted. The "preservation fund" resolution passed in 2014; why does this report not have concrete recommendations for how to fund it?
- Nowhere does this document discuss public housing. In a city that literally helped to pioneer the idea, that is a disturbing example of amateurish thinking when it comes to the question of affordable housing.
- There is no discussion of environmental justice or of human rights. The Human Rights Commission recently found gentrification to be a human rights violation, not a technical matter. Advocacy for expanded density bonuses produces environmental impacts that further harm our quality of life. Density bonuses have also not nearly produced the amount of affordable housing that our city requires.

Recommendations:

- We must properly quantify what "affordable housing" truly means. 50% of MFI is a number that could work for Austin. Calling 80% MFI housing "affordable" is at this stage intellectually dishonest.
- City council districts 1 and 3 currently house a disproportionate share of the city's "affordable" housing. This document needs to produce a strategy for preserving and upgrading that existing housing instead of over-focusing on the placement of new supposedly affordable housing in so-called "high opportunity" areas. On this issue we should be able to walk and chew gum at the same time.
- Produce affordable housing preservation *and* production targets for each city council district that reflect the actual need. The goal of 30,000 housing units at up to 30% MFI is too unambitious. 75,000 units would be an ambitious goal.
- This document needs to dive deeper into discussing veterans housing issues. Granular local research into this area would go deeper than just discussing veterans homelessness.
- This document should talk about the Fair Housing Act itself, not just the usually ignored "impediments to fair housing choice" document mentioned on page 17. A sincere focus on fair housing in Austin would discuss the preservation of existing affordable housing, not just focus on the construction of new housing in high opportunity areas. A refusal to seriously discuss the loss of existing affordable housing, particularly in East and South Austin, is to aid and abet gentrification.

- This document should furnish discussion and analysis of previous Austin efforts at generating affordable housing. Without such analysis not only is there no proper institutional memory and training material available for existing and future NHCD staff, it becomes difficult if not impossible to assess what is and is not working. Two noteworthy examples that should be discussed and evaluated include Mueller and Frontier at Montana. There are others one could choose.
- Page 3: What is the 2016 HUD MFI for Austin? What is 30% of that? And what is the rent at that level?
- Page 10: "Environmental Degradation." Exactly how is this term being used here? Has the gentrification of East Austin produced "environmental degradation" as it is being used here? It bears noting that the National Environmental Policy Act takes a broad view of the "human environment" that goes well beyond a discussion of natural resources.
- Page 13: 80% of \$77,800 (the 2016 Austin MFI) is \$62,240 per year. 30% of that is \$1,556. Do you consider numbers such as this to be affordable? (rather unambitious). Then why are they described as "aggressive?"
- Page 15: Please discuss how the proposed preservation property tax exemption would work. What are the proposed numbers? Our city already offers generous tax abatements for historic properties. Yet many of these properties in East Austin were demolished anyway.
- Page 17-19: The research literature on TIF's is clear: they are a recipe for corruption and for further gentrification. The plan does not produce a coherent argument (no argument at all, actually) for why Austin should deepen its commitment to property tax diversion schemes of this nature.
- Page 18: why only "small scale" preservation?
- Page 20: Why each zip code? Why not each neighborhood planning area? Or some other geographic boundary such as city council district?
- Page 22: ADU's increase affordability? Based upon what evidence? Cite your sources. The dogma that "alley flats" or similar zoning easing schemes improve affordability should be subjected to empirical analysis.
- Page 23: The focus on PUD's is a diversion. They should not be discussed in a document of this nature.
- Page 24-26. Linking transportation costs with housing is a good idea, but why stop there? Basic needs budgets should also include discussion of things such as food, child care, health care, debt, out of pocket medical expenses and other necessities. Our city needs to have a realistic discussion of what it means to be poor in Austin. While biking and walking are laudable goals, they need not and should not be discussed in a document of this nature.

Policy suggestions:

- Austin needs to re-commit itself to maximizing and optimizing its public housing. As the oldest branch of city government dealing with affordable housing, Austin's housing authority could and should do more. It can start by building back up to its Faircloth limit of 1931 units and recommitting itself to preserving and upgrading its historic public housing stock. There is no shortage of tax credit developers in our city, and the housing authority should focus on what it was founded to do first; directly produce and manage publicly owned housing.

- It needs to finally be conceded that market-based technical solutions will not truly tackle our city's affordable housing crisis. It is only when this concession is made that we can have truly productive affordable housing discussions that rise to the level of the problem. Affordable housing is not and should not be dependent on market rate development; the linkage between the two is artificial and unproductive; the city's public housing history demonstrates this. The fundamental reality is this: the private housing market cannot or will not produce housing that is truly affordable; this was understood during the New Deal. A productive discussion, therefore, would be about what government can and should do to preserve and produce the level of housing that is required. Wonkish discussions about the technical details of density bonuses, property tax diversion mechanisms, or zoning abatements are just ways of continuing to talk around the problem.
- Housing, including affordable housing is more than just a matter of quantity, it is also a question of quality. This document should discuss how Austin can start to move in the direction of implementing the Passive House standard in all existing and future affordable housing. Existing greenbuilding standards are not as rigorous or straightforward.
- Austin should re-calibrate how it spends its CDBG and other federal grant funds. While business development sees a reasonable expenditure at first glance, block grant money is too precious to remain sub-optimally focused on the main problem, which is the preservation and generation of maximum amounts of affordable housing. If the money can be proposed for the destruction of public housing projects such as Rosewood Courts, it can also be purposed for that housing project's preservation and revitalization.
- Lessons from New York: nearly 60% of the \$7.5 billion used to finance New York City's housing programs is derived from the city's capital budget; that is from the issuance of municipal bonds. What is Austin's percentage? The policy recommendation explains itself.
- Austin needs to move in the direction of impact or linkage fees, perhaps both. They are easier to administer, furnish regulatory certainty, and most importantly, produce funding that can be used for affordable housing preservation and production. Political leadership should rise to the challenge.