COMMUNITY DEVELOPMENT COMMISION (CDC)
RECOMMENDATION 20170110-05a

Date: January 11, 2017

Subject: Draft Austin Strategic Housing Plan

Motioned By: Commissioner McGhee Seconded By: Commissioner Tolliver

Recommendation
The following contains the CDC's August 2016 recommendations, and January 2017 comments on the December 2016 revised draft. January comments are marked January 2017. The CDC recommends that if action is taken on the December 2016 revised draft, the January 2017 comments below be included.

Description of Recommendation to Council
The Community Development Commission recommends adopting the following comments and recommendations on the 2016 draft Austin Strategic Housing Plan:

1. Set more ambitious goals overall for affordable units and levels of affordability with goals broken out for each income level (0-30, 30-50, 50-80) below 80% MFI.

   January 2017: More ambitious goals were set. However, we note differences in rounding, that the total of low-income households is rounded down while the number of higher income households is rounded up.

   See also 5.

2. Add public housing goals and include a discussion of building Austin's public housing stock back up to the Faircloth limit of 1,931 units.

   January 2017: More information has been included. The Commission requests apart from the Strategic Plan process why the total number of units has decreased below the Faircloth limit and what the housing authority is doing to bring these units back on line.

3. Elaborate on how the plan's initiatives address or do not address the duty to affirmatively further fair housing.

   January 2017: The December draft includes more language around geographic distribution, but does not directly address the provision of affordable housing in higher opportunity areas.

   Follow up recommendation: We recommend giving more of an order of progression to the plan's strategies coupled with a lens on creating more geographic choice.

4. Add preservation goals to the plan to include strategies for preserving the ability of lower income people to continue living in gentrifying areas such as those in Council districts 1 and 3. Include these goals in the discussion of community

   January 2017: The Commission notes that the first recommendation on preservation is not within in the city's control as it depends on state legislative action.

   Follow up recommendation: We recommend establishing an order of progression for the plan's recommendation. In establishing this order, we recommend ranking initiatives that are within the city's control more highly.

5. Conduct initiatives and report on data through Council Districts rather than zip codes.

   January 2017: Goals for affordability below 30% MFI for rental and below 120% MFI for homeownership have been added.

   Follow up recommendation: We recommend these goals include numerical goals and goals for 30 to 50% MFI for rental and density bonus goals.

6. The Commission expressed concern over the possibility could lead to approving subsidies or incentives to support housing people at higher income levels than standard affordability levels. Revise wording and illustrations that appear to favor or recommend subsidizing new housing above 80% MFI. This is where the needs of low-income Austinites are the most critical and that this is where our focus should be. The Commission also believes a "trickle down" approach to housing supply is not an efficient or effective approach to meet critical housing needs as effectively as programs directly geared to low-income people. Revise the chart and text that indicate great need for market rate units at incomes over $1OOK; clarify that there will not be subsidies or building incentives for housing at these higher levels.

   January 2017: Staff has added more documentation on general housing needs. As *the* City's commission with representatives of the poor and *the* commission that makes recommendations on housing for low-income people, we must be careful about assuring that City programs benefit low-income people.

7. Staff has suggested that the Commission look to Seattle's model for an example of how Austin might establish similar goals. The Commission will take this suggestion as a future agenda item. Until the Commission has had the opportunity to study Seattle's model and related information, we do not have a position on the statements in the draft plan regarding CodeNEXT.

   January 2017: We note that the overall goals have been expanded beyond the Seattle formula.

8. Thoroughly address the monitoring process for this plan and for tracking compliance in the production and preservation programs. Better align with the federal and local budgeting and monitoring process/calendars. Study best practices in monitoring of other cities. State the benchmarks for accountability.

January 2017: This has been added to the December draft. However, the time line for implementation is 3-5 years.

Follow up recommendation: We strongly recommend that this be accomplished in 1-2 years.

Similarly, we note that other time lines do not conform to the Impediments to Fair Housing Action Steps or the CodeNext time lines.

Follow up recommendation: We recommend that all Strategic plan timelines conform to time lines stated in related documents such as CodeNext documents.

9. Reference the core values for affordable housing that Council adopted in 2007; as a City, we believe in deeper affordability, longer term affordability and geographic dispersion.

   January 2017: We note that a core values section has been added.

10. The plan has a horizon of 10 years, while SMART Housing only ensures affordable levels for 1 - 5 years; make changes to SMART Housing program so that affordability is longer term, or clarify in the plan.

    January 2017: We note this has been incorporated in the December draft.

11. In addition to the family-friendly goal to make 25% of homeownership units be two-bedroom units, set a preference for selling these units to families with children.

    January 2017: We note this has been incorporated in the December draft. In addition, we recommend adding "seek family friendly units in density bonus programs".

12. Enhance the greenfield affordable housing density bonus program.

    January 2017: We note this has been incorporated in the December draft, but we recommend adding "to increase housing diversity, including affordability".

Rationale: N/A

Record of the Vote: 13-0

For: Chair Rivera, Vice Chair Deshotel, and commissioners Fadelu, Lisa Hinely, McGhee, McHorse, Paup, Singer, Taylor, Tolliver, A. Villalobos, R. Villalobos and Zamora

Against: None

Abstain: None

Absent: Commissioner Lottie Dailey

Attest: [CDC Liaison, Lisa G. Rodriguez]