

Austin CityUP Housing Committee

Affordable Housing Solutions

August 22, 2017

Ron Baker

IBM Distinguished Engineer
Director of Geospatial Content & Analysis
Smarter Cities Strategy

City Engagements:

- ✓ Minneapolis analytics for vacant housing, major venue events, police, public works
- ✓ Ft. Lauderdale policing and public safety
- ✓ Miami water, parks, stadium management
- ✓ Bangkok traffic management
- ✓ Singapore road use management
- ... and many more

Catherine Crago

Head of Strategic Initiatives for the
Housing Authority of the City of Austin

“Unlocking the Connection” Program Leader:

- ✓ Public-Private Technology Partnerships
- ✓ Management Consulting
- ✓ White House & HUD Model Initiative in 100 cities
- ✓ Internet & Digital Literacy for Residents

Our Approach to an Affordable Housing App

In October, 2016, 70+ organizations convened to rank Smart City projects in Austin. Our proposed affordable housing solutions app was ranked as the Number 1 priority.

Since then, the Austin CityUP Housing Committee has researched several existing approaches and technologies, convened a data workshop with local stakeholders, and identified the assets that are needed to help a single mother with a new voucher quickly find suitable affordable housing (which is just one of the potential scenarios).

As an objective party, the City can more timely and more cost-effectively produce data standards, shared requirements and an open basic search tool.

The City can address the immediate need to help low-income Austin renters and housing counselors find affordable housing. As part of that process, it should enable data standards, a set of requirements shared by several stakeholders, and a standard interface for other non-profits and companies to create sustainable long-term solutions.



Austin CityUP ...Technology for Urban Progress

Austin CityUP™ is a smart city consortium of companies, organizations, and individuals who collaborate on activities that advance Austin through digital technologies, data collection, analytics, and modeling.

- ✓ Founded April, 2016; 70+ Member Companies and Organizations, 501(c)(6)
- ✓ October, 2016 Strategic Planning meeting resulted #1 rank for affordable housing solutions
- ✓ Housing Committee formed; today includes 20+ members from 7 companies, non-profits, government and individuals
- ✓ We've evaluated several technologies and funding approaches to meet some very specific goals



Our initial research areas...

The Stakeholders...and their Needs

Households seeking affordable housing

- ✓ Make it easier to find
- ✓ Better fit for their needs

Austin ISD

- ✓ Minimize student moves & lost days
- ✓ Better student performance
- ✓ Consistent funding

Landlords and Developers

- ✓ Easier to find tenants
- ✓ Maximize incentives and property returns

City of Austin Staff

- ✓ NHCD Policy and Economic Development
- ✓ HACA Section 8 & Assistance Programs
- ✓ CodeNext zoning policy analysis

Existing Approaches & Technology

Web Clients & Mobile Apps

- ✓ Costar
- ✓ GoSection8
- ✓ HubCiti
- ✓ Mobility Blueprint
- ✓ NoAppFee.com
- ✓ IBM Smarter Cities
- ✓ Haven Connect

Real Estate Services

- ✓ MLS
- ✓ Austin Board of Realtors

NGO's

- ✓ Housing Works
- ✓ Portland Bureau of Housing

Available Sources of Data

Currently Available Inventory

Overall Affordable Housing Stock

Active & Upcoming Applicants

Transportation & Transit Schedules

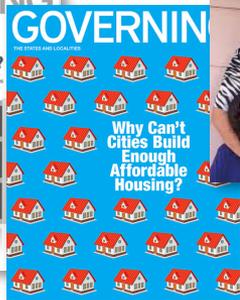
Demographics

Schools, School Districts

Business Locations

Health & Social Service Locations

Zoning Codes & Plans



Four Major Urban Areas in Texas		Public Housing	Section 8 Vouchers	Total
DFW	Dallas H.A.	3,368	19,239	22,607
	Fort Worth H.S.	1,378	5,439	6,817
	Dallas County H.A.	-	4,369	4,369
	Arlington H.A.	-	3,653	3,653
	Grand Prairie H.N.S.	-	2,701	2,701
	Tarrant County H.A.	-	2,508	2,508
	Garland H.A.	-	1,526	1,526
Austin	Mesquite H.O.	-	1,404	1,404
	Plano H.O.	24	908	932
	McKinney H.A.	-	385	385
	City of Austin H.A.	4,770	42,182	46,917
	Travis County H.A.	1,928	5,726	7,654
Houston	Georgetown H.A.	105	568	673
	Round Rock H.A.	158	100	258
	Houston H.A.	2,291	6,488	8,779
	Harris County H.A.	3,495	17,235	20,730
San Antonio	Pasadena H.O.	-	1,108	1,108
	Houston H.A.	4,003	13,341	17,344
	Schertz H.A.	76	153	229
		3,495	22,508	26,003
		14,559	84,439	98,643

The immediate need...

Detailed Requirements (Needs & Goals)



Data Standards



Search Tool



Initial Design Process

- ✓ Spend time in the ecosystem: how to make this as simple as possible to use for everybody
- ✓ Existing approaches and technologies
- ✓ Data sources, search tool features, and distribution methods

Assets needed now to help Austin residents find affordable housing

- ✓ What are the minimum requirements for a search tool?
- ✓ How companies and cities finance housing search solutions

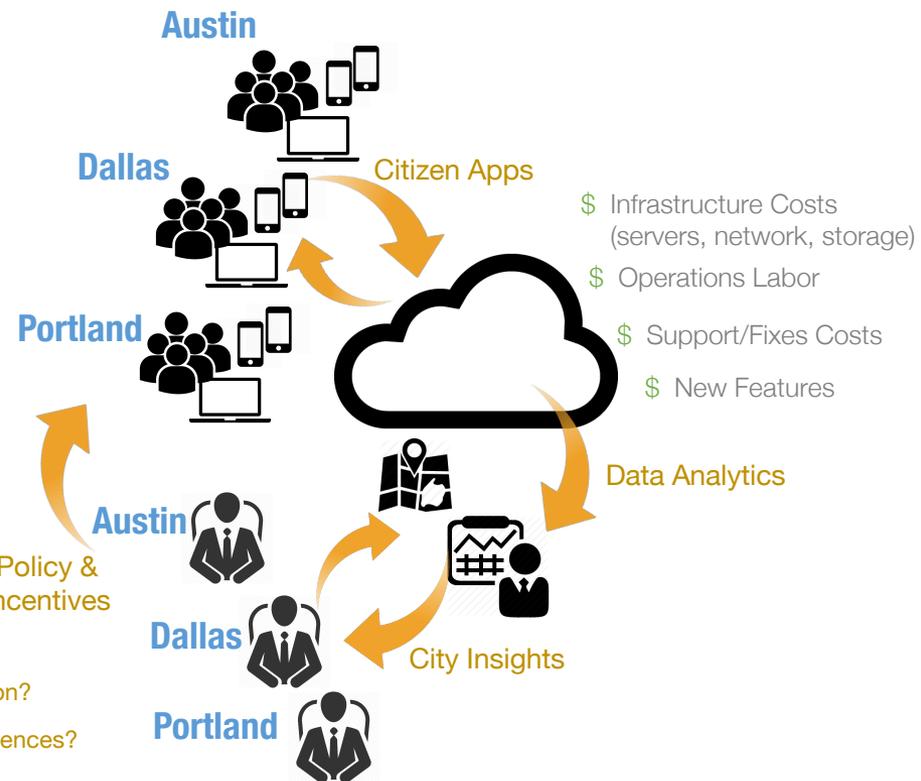
Determine how to make this sustainable

- ✓ Approaches to sustaining the search tool
- ✓ How to incent organizations and companies to be involved?
- ✓ What is the best way to use funds associated with this work?

The Goal...Sustainable Offering, Actionable Insights

Not just a grant, not a custom solution...it should be a public-private partnership, similar to the Austin 311 mobile app, that provides a Sustainable Offering, with Actionable Insights for the city. We identified several possible revenue models:

1. **Revenue from multiple offerings and customer segments**
 - ✓ Commercial offerings can help subsidize Public Sector
 - ✓ Infrastructure/Labor cost sharing enables lower price
 - ✓ Affordable Housing, Code Compliance, Vacancy Risk, etc.
2. **Revenue from enough Cities with a repeatable offering**
 - ✓ About 750 cities in the US with over 50,000 people
3. **Revenue from an on-going transaction fee**
 - ✓ Include a 1-2 cent technology fee
4. **Revenue from advertising to target segments**
 - ✓ Must ensure Privacy and Appropriateness



Where is the best location for more city-owned affordable housing?

Can I provide different development incentive amounts by location?

How should I change zoning codes based on citizen preferences?

How do we incent someone to build the solution?

The City of Austin can facilitate this by:

1. **Clearly articulating the needs and goals**
 - ✓ Continue to leverage Austin CityUP and its members
 - ✓ Provide City Staff expertise to define the needs and goals
 - ✓ Partner with a Design shop to create designs/prototypes

2. **Helping establish the market value with potential partners**
 - ✓ Determine what operating budget you're willing to provide
 - ✓ Partner with other cities to corroborate that value
 - ✓ Partner with State and Federal agencies, such as HUD
 - ✓ Assess the available data sources for feasibility
 - ✓ Determine Business Model options



Once these are established, determine the best Public-Private Partnership Approach:

3. **Determine the best procurement process**
 - ✓ Does it require an RFP?
 - ✓ Can it be part of an agencies normal operating budget?

4. **Should the City of Austin provide some sort of “start up” incentive for a solution?**
 - ✓ Funding for initial offering development?
 - ✓ Investment with some form of return or loan with repayment criteria?
 - ✓ Can the City of Austin maintain some equity or revenue stream from the solution?

Thank you!

Housing Committee

Objectives:

- Provide an immediate prioritized list of affordable housing that best meets a household’s needs
- Provide insight into the City’s inventory and use of affordable housing, showing the impact of policy and market forces

Meetings

Every other Thursday | 4:00pm CT

Chairs:

Ron Baker, IBM
Catherine Crago, HACA

Members:

Jay Boisseau, Vizias
Melanie Cox, Neighborhood Housing & Community Development
Lisa Garcia, HACA
Sherri Greenberg, LBJ School
Richard Hurley, GovernanceChain
Erica Leak, Neighborhood Housing & Community Development
Josh Rudow, Neighborhood Housing & Community Development
Jonathan Tomko, City of Austin
Wesley Wright, Idean