

## **ENVIRONMENTAL COMMISSION MOTION 20180404 007a**

**Date:** April 4, 2018

Subject: Recommendation regarding CodeNEXT Draft 3 and economic displacement as an environmental

issue

Motion by: Marisa Perales Seconded by: Katie Coyne

**WHEREAS,** on November 1, 2017, the Environmental Commission passed a resolution in response to Draft 2 of CodeNEXT, recognizing economic displacement of existing communities as an environmental concern that must be addressed but to date, the impact of CodeNEXT on displacement has not yet been addressed by City staff with data, evidence and rigorous and complete analysis; and

**WHEREAS**, the Environmental Commission has commented on several occasions on the need for more robust community engagement, particularly with members of the community who are likely to be the most impacted by City policies related to the environment and land development; and

**WHEREAS**, on November 15, 2017, the Environmental Commission passed a resolution in response to Draft 2 of CodeNEXT, recommending that City staff work with the City's Equity Office to project the environmental impacts associated with economic displacement of existing communities; and

**WHEREAS,** the City's Equity Office is currently undertaking an equity analysis of CodeNEXT, which applies to the entire City of Austin, in conjunction with a third-party consultant; and

WHEREAS, the Planning Commission and the Zoning and Platting Commission will hold their first public hearing regarding Draft 3 of CodeNEXT on April 28, 2018, and the Environmental Commission is diligently working on trying to get recommendations regarding the environmental aspects of CodeNEXT to the land use commissions before their first public hearing; and

WHEREAS, the Environmental Commission will not have the benefit of being able to review and consider the results of the equity analysis of CodeNEXT before getting their recommendations to the land use commissions in time for the first public hearing on April 28, 2018; and

WHEREAS, two common concerns expressed by residents regarding CodeNEXT are impacts of the proposed Code changes on drainage and flooding and economic displacement of existing communities;

WHEREAS, it is well-documented that the City of Austin is experiencing a lack of "affordable" housing; and

WHEREAS, Draft 3 of CodeNEXT can provide the capacity for, at most, 6,000 new units over the next 10 years, affordable at 60% and 80% median family income (MFI),<sup>2</sup> and no analysis on the anticipated preservation rate of market-rate "affordable" housing under Draft 3 of CodeNEXT has been published to date; and

**WHEREAS**, development of market-rate housing alone will not reduce sprawl if the City does not intentionally prioritize maintaining existing affordable housing and creating new affordable housing for working class and low-income families; and

**WHEREAS,** many of the environmental benefits that are typically associated with densely developed communities—*i.e.*, less reliance on individual motor vehicles and improved air quality—are diminished if working class and low-income residents are compelled to move farther from the urban core or outside of Austin because of a lack of affordable housing; and

WHEREAS, all residents, including working class and low-income residents, are entitled to environmental protections, including drainage, floodplain, and watershed protections; tree preservation; erosion controls; access to parks, greenspace, and safe recreational areas; and other protections that ensure a safe and healthy community environment, and these protections should not be bargained away for a promise of a greater supply of housing; and

**WHEREAS**, the City of Austin has implemented floodplain and drainage protections for properties within the City's jurisdiction, but those protections do not apply in areas outside of the City's jurisdiction; and

**WHEREAS**, working class and low-income residents who have moved away or are likely to move outside of Austin because of economic pressures may not have the benefit of the same floodplain and drainage protections that Austin provides; and

WHEREAS, although two concerns often expressed by the community are drainage/flooding issues and economic displacement, the CodeNEXT maps do not appear to consider vulnerable communities that are already experiencing or are on the cusp of experiencing displacement of working class and low-income residents; and

**WHEREAS**, the City has convened several task forces to evaluate issues related to gentrification and displacement, over the last several decades, including the Mayor's Task Force on Institutional Racism and the current Anti-Displacement Task Force, resulting in a number of reports and recommendations, but few recommendations, including many that are outside of the Land Development Code, have been implemented thus far;<sup>3</sup> and

<sup>&</sup>lt;sup>1</sup> The City of Austin's 2014 Comprehensive Housing Market Analysis identified a shortage of 48,000 deeply affordable rentals. City of Austin Strategic Housing Blueprint (2017) (breaking down the 10-year goal of providing 60,000 affordable units, into a goal of 22,000 at 0-30% MFI, 25,000 at 31-60% MFI, and 15,000 at 61-80% MFI), available at:

https://www.austintexas.gov/sites/default/files/files/NHCD/Strategic Housing Blueprint 4.24.17 reduced .pdf.

<sup>&</sup>lt;sup>2</sup> City of Austin, CodeNEXT Draft 3 presentation to Council Housing and Planning Committee (March 27, 2018), available at: <a href="http://www.austintexas.gov/edims/document.cfm?id=295474">http://www.austintexas.gov/edims/document.cfm?id=295474</a> (This is an increase from 5,000 units under Draft 2).

<sup>&</sup>lt;sup>3</sup> See City of Austin, Office of the City Auditor, Special Report, City Efforts to Address Displacement and Gentrification (January 2018) available at: <a href="https://www.austintexas.gov">https://www.austintexas.gov</a>.

WHEREAS, an anti-displacement task force was recently created and is currently working on a report that will address gentrification and displacement issues; and

WHEREAS, the University of Texas is currently mapping areas of the City that are experiencing signs of gentrification and displacement and is preparing a list of tools that the City may implement to address the imminent signs of displacement and gentrification; and

**WHEREAS,** CodeNEXT does not, and is not intended to, serve as a tool to stem gentrification and displacement; and

**WHEREAS**, the community and the Environmental Commission have been afforded about one year to engage in the CodeNEXT process and even less time to review the proposed draft language; indeed, some sections of the Code are being revised and will continue to be revised, and the community and the Commission have yet to review and evaluate those portions of the Code; and

**WHEREAS**, the City is currently reviewing the 100-year floodplain data (NOAA Atlas 14) and considering its accuracy and is likely to revise the floodplains and drainage design criteria; and

WHEREAS, in contrast to the expedited schedule imposed for community outreach and engagement, boards and commissions review, and Council consideration of CodeNEXT, policies and tools outside of the Land Development Code that may address gentrification and displacement have not been considered or implemented with the same urgency.

**THEREFORE**, the Environmental Commission recommends that issues related to economic displacement be prioritized and addressed before or in conjunction with any passage or implementation of CodeNEXT, to reflect the expressed priorities of Austin residents, to prioritize and protect the most vulnerable and impacted residents and communities in Austin, to provide the urgent attention that these issues warrant, and to ensure that these issues are not exacerbated by a revised land development code that was drafted without considering impacts on gentrification and displacement and without an equity analysis, including an analysis of community engagement efforts.

The Environmental Commission further recommends that among the tools that should be considered before or in conjunction with the passage or implementation of CodeNEXT are the following examples: TIFs, identification of City-owned property and development of plans to create affordable housing on those properties; reduction in entitlements that encourage development in areas that have been identified as at risk of imminent gentrification and displacement by UT's mapping project; identification of opportunities and funding for land banking and land trusts; identification of opportunities for historic preservation and neighborhood conservation combined districts (NCCD); exploration of partnerships with CapMetro and other entities to create affordable housing, especially near transportation hubs; implementation of inclusionary zoning for rental housing; maximization of opportunities in homestead preservation districts; creation of a right-to-stay fund; and other creative measures that have already been proposed and presented to the City by the various task forces that have addressed these issues.

The Environmental Commission recommends that any reduction in environmental risk or improvement in environmental factors must go hand-in-hand with projections for vulnerable individuals, families, and communities in order to ensure an equitable and resilient future for all Austin residents.

<sup>&</sup>lt;sup>1</sup> See Mayor's Task Force on Institutional Racism and Systemic Inequities, Final Report, (April 6, 2017)

## **VOTE 7-1**

For: Perales, Thompson, Istvan, Maceo, H. Smith, Guerrero, Creel, Coyne

Against: None Abstain: None Recuse: None

Absent: B. Smith, Neely, Gordon

Approved By:

Marisa Perales, Environmental Commission Chair

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