



**HISPANIC/LATINO QUALITY OF LIFE RESOURCE ADVISORY COMMISSION
RECOMMENDATION 20220322-3a ix**

CONTINUE AND EXPAND FUNDING FOR RENTAL ASSISTANCE AND AFFORDABILITY

Strategic Direction: Economic Opportunity & Affordability; Safety; Health & Environment

Date: March 22, 2022

Subject: FY23 Budget Recommendations

Motioned by: Silva

Seconded by: Ramirez

Recommendation to Council:

Continue and expand funding for rental assistance, including programs like I Belong in Austin.

Increase subsidization of on site affordability to keep people in their homes. These tools for anti-displacement should be available at <60% median family income.

Background and Rationale:

The need for rental and mortgage assistance did not start with the pandemic. Before COVID, people were being displaced due to gentrification. Affordability was, and continues to be, a major concern for the Hispanic/Latino community. The cost of housing continues to increase for both homebuyers and renters. Recently, Austin topped the list of cities where rent has risen the fastest. Rent is up 40% since February 2021. Additionally, the median home price in Austin has nearly doubled since January 2016, going from just under \$255,000 to \$499,995 in February 2022.

There are incentives for developers to include affordable housing units in their developments; however, it is up to them to come to this decision. By state law, there can be no affordable housing requirement placed on developers. Currently, we do not know how many developers decide to provide affordable housing versus how many decide not to. This restriction limits the number of affordable units in our city. Even when developers provide affordable housing, it centers around residents at 60%-80% MFI. Developers do not want 30%-40% MFI and below because there is no profit in it.

There are a variety of rental and mortgage assistance programs centering those impacted by COVID. The most recent RENT program funds were all disbursed, and the application portal is now closed. This is not the first time all funding was disbursed. However, the community continues to express the need for additional funds. Assistance should not solely be related to the impacts of COVID. Assistance must include people impacted by gentrification.

Vote:

For: Afifi, Vigil, Solis, Garay, Ramirez, Perales, Silva

Against: None

Abstain: None

Absent: Peña, Garcia

Attest:



Amanda Afifi, Chair

Development Agreements Rent Rates (PDF) -

https://www.austintexas.gov/sites/default/files/files/Housing_%26_Planning/Dev%20Incentives%20%26%20Agreements/Development_Agreements_Rent_Rates_06012021_final.pdf

Development Incentives Sales Prices (PDF) -

https://www.austintexas.gov/sites/default/files/files/Housing_%26_Planning/Dev%20Incentives%20%26%20Agreements/Development_Incentives_Sale_Prices_06012021.pdf

Development Incentives Rent Rates (PDF) -

https://www.austintexas.gov/sites/default/files/files/Development_Incentives_Rent_Rates_Rev.7.7.21.pdf