



**RCA
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 13
AGENDA DATE: Thu 06/24/2004
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SUBJECT: Approve the: (1) Five-Year Consolidated Plan for Fiscal Year 2005-2009, which is the document submitted by the City to the U.S. Department of Housing and Urban Development that serves as the planning document of the City and an application for federal funding; (2) the Fiscal Year 2004-2005 Action Plan, which is a description of the activities the City will undertake during the year to address priority community-development and housing needs, and (3) the Fiscal Year 2004-2005 Community Development Program, which addresses the City's efforts to improve the living and economic conditions of persons of low- and moderate-income, benefit low- or moderate-income neighborhoods, aid in the prevention or elimination of slums and blighted areas, aid federally assisted new communities, and meet other community development needs.

AMOUNT & SOURCE OF FUNDING: N/A

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Neighborhood Housing **DIRECTOR'S**
DEPARTMENT: and Community **AUTHORIZATION:** Paul Hilgers
Development

FOR MORE INFORMATION CONTACT: Paul Hilgers, Community Development Officer,
Neighborhood Housing and Community Development, 974-3108.

PRIOR COUNCIL ACTION: Public hearings conducted March 11, 2004 on community needs, and
May 13, 2004 on the draft Consolidated Plan/Action Plan.

BOARD AND COMMISSION ACTION: Three public hearings before the Community Development
Commission (CDC) February 10, 2004 and March 9, 2004 on community needs, and on May 11, 2004 on
the draft Consolidated Plan/Action Plan; a public hearing before the HIV Planning Council March 16,
2004; a public hearing before the Community Action Network March 15, 2004. Recommended by the
CDC, with amendments, on a 5-3-1 vote June 9, 2004 (see attached Minority Report).

PURCHASING: N/A

MBE / WBE: N/A

The purpose of the Five Year Consolidated Plan is to develop a blueprint to address the community's most critical housing and community development needs. Every five years, the City of Austin Neighborhood Housing and Community Development Office (NHCD) conducts a needs assessment to determine housing and community development priorities in the community to be included in the Plan. This assessment includes:

- Community Needs Assessment
- Five Public Hearings
- Housing Market Study



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- Impediments to Fair Housing report
- Consultation with social service, non-profits, and government entities

The Consolidated Plan is designed to be a collaborative process whereby the community establishes a unified vision for community development actions. NHCD, through the Citizens Participation Process, gathers information through public hearings, consultations, citizen surveys, and written comments. The result of the accumulated information rated affordable housing as the number one priority, followed by job creation, and services to youth.

Highlights of the Consolidated Plan include the continued need to invest in the Housing Continuum. To do this we recommend providing funds for Capacity Building for non-profit housing providers, and maintaining the investments we have already made in successful programs. Those programs include: Architectural Barrier Removal, Emergency Home Repair, Home Rehabilitation, 11th and 12th Street Revitalization, Small Business Development, and Tenant Based Rental Assistance.

In the Consolidated Plan we are proposing several enhancements to housing and community development strategies. We propose a Neighborhood Based Strategy for coordinating services in order to achieve a higher impact of our investments. We are proposing to provide deeper subsidies for Downpayment Assistance to achieve homeownership for households at 55% of MFI. We are proposing to study the feasibility of implementing an "Inclusionary Zoning" policy. Finally, we are proposing the coordination of Housing and Community Development Investments with the major developments of S.M.A.R.T. Housing™ that includes the RMMA, Colony Park, and the Montopolis Net-Zero Energy Subdivisions.

The CDC recommended approval of the Consolidated Plan, with amendments, on a 5-3-1 vote (see attached Minority Report). NHCD supports the CDC's recommendations and amendments. Some of the recommendations may be implemented as program guideline changes. The amendments and recommendations are as follows:

- The reallocation of \$300,000 in Downpayment Assistance and \$100,000 in Special Needs Homeownership from the Housing Trust Fund to the Rental Housing Development Assistance Program,
- Modifying the goals of the Architectural Barrier Removal Program to assist more rental units and restrict eligibility to 80% MFI (subject to HUD approval), and
- Increase the goals of the Rental Architectural Barrier Removal Program from 105 to 150 households and decrease the number served by the Homeowner Architectural Barrier Removal Program from 395 to 350 households.
- Approved a resolution supporting the study of inclusionary zoning to be titled "Analysis of Data and Methods to Implement Inclusionary Housing in Austin" and,
- In order to contribute to the affordability of housing, have a living wage requirement for jobs created by the NCMP Loan Program.

The Commissioners who voted against the Plan wished to include funding for the Southwest Key Project through increased Public Facility Funding. The Commissioners who voted for the plan were not in favor of additional funding in the public facilities category. All of the Commissioners, however, unanimously



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passed a motion to encourage Council to find ways to invest in the Southwest Key Project with a proviso to also invest in children's education in general.

The annual Action Plan (that is approved by the Austin City Council and the U.S. Department of Housing and Urban Development [HUD]) outlines activities and programs that will be funded based on the priorities in the Consolidated Plan.

The annual Community Development Program outlines the activities that will be funded under Chapter 373, Local Government Code with federal and local matching funds.