



City of Austin Bond Election Program

May 4, 2006

Overview



- Review
- Bond Program
 - Investing in our Future
 - Affordable Housing
 - Parkland Acquisition
 - Open Space Acquisition

Bond Program



- Investing in our Infrastructure
 - Drainage – March 23rd
 - Transportation – March 23rd
 - Facility Renovations – April 6th
- Investing in our Future
 - Public Health & Safety Facilities – April 27th
 - Central Library – April 27th
 - Park & Cultural Facilities – April 27th
 - Affordable Housing – May 4th
 - Open Space and Parkland Acquisition – May 4th

Bond Program



	Needs Assessment	BEAC Recommendation	Bond Program Recommendation
Investing in our Infrastructure			
Drainage	\$ 198.6 million	\$ 122.1 million	\$ 95.0 million
Transportation	\$ 185.0 million	\$ 98.9 million	\$ 103.1 million
Facility Renovations	\$ 130.4 million	\$ 62.7 million	\$ 55.0 million
Subtotal	\$ 514.0 million	\$ 285.0 million	\$ 253.1 million
Investing in our Future			
Park & Cultural Facilities	\$ 0.0 million	\$ 28.5 million	\$ 35.2 million
Public Health & Safety Facilities	\$ 73.4 million	\$ 52.8 million	\$ 58.1 million
New Central Library	\$ 106.7 million	\$ 90.0 million	\$ 90.0 million
Affordable Housing	\$ 25.0 million	\$ 67.5 million	
Land Acquisition	\$ 50.0 million	\$ 92.3 million	
Subtotal	\$ 255.1 million	\$ 329.8 million	\$ 183.3 million
Running Total			\$ 436.4 million
TOTAL	\$ 769.1 million	\$ 614.8 million	\$500-\$530 million



Affordable Housing

Paul Hilgers
Community Development Officer

**Neighborhood Housing & Community
Development**



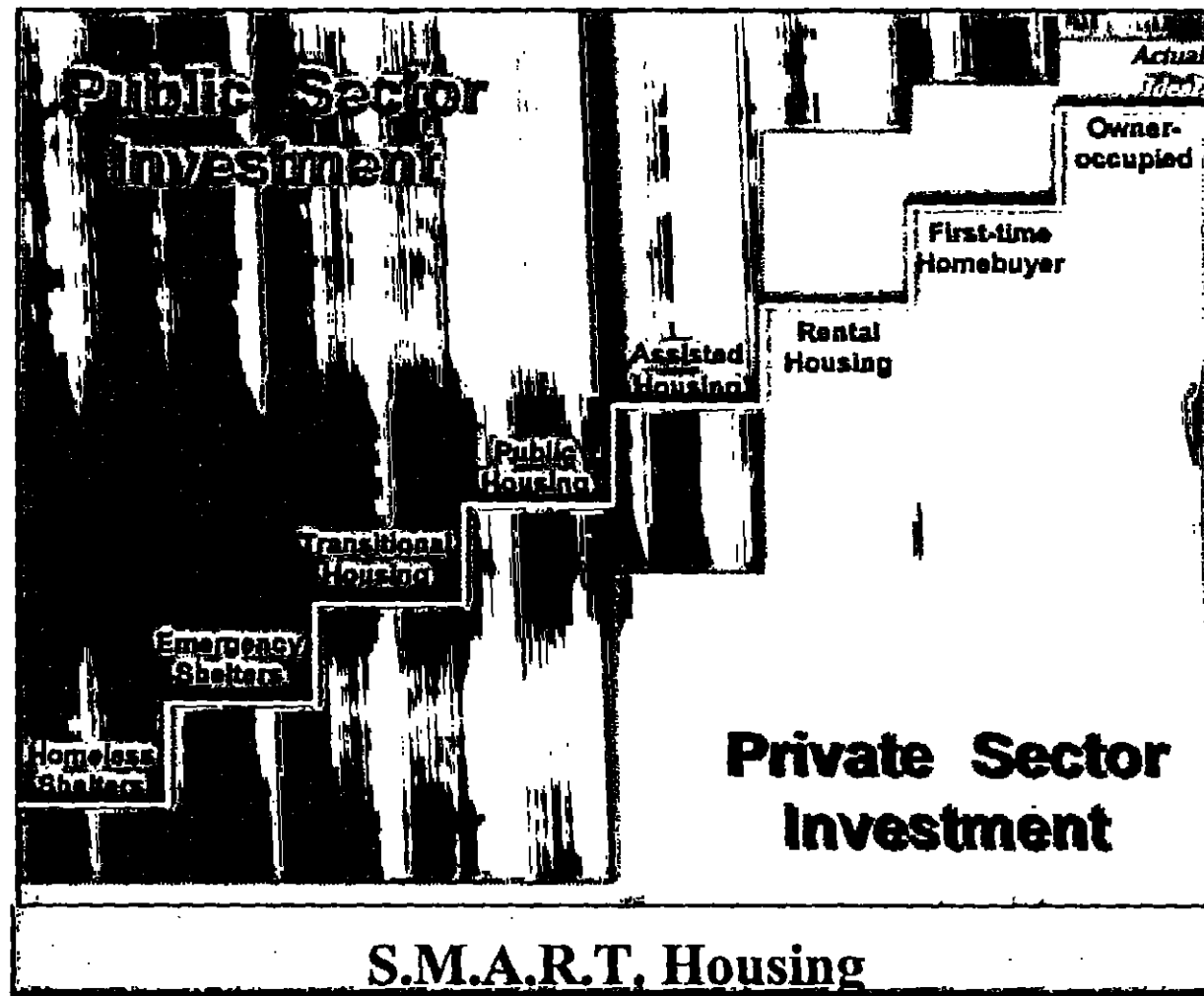
Overview

- Affordable Housing Need
- City of Austin Affordable Housing Solutions
- Housing GO Bond Recommendations



The Housing Continuum™

A Ladder to Self-Sufficiency®



Austin's Housing Problem



	<i>Homeownership:</i>	<i>Rental:</i>			
	March 2006 Median Home Sale Price	Average Rent per Sq. Ft.	Average Occupancy	Average Rent 750 Sq. Ft. Apt	Average Rent 1000 Sq. Ft. Apt
Austin	\$165,900	\$0.87	93.4%	\$653	\$870
Dallas	\$157,500	\$0.84	90.9%	\$630	\$840
Houston	\$142,300	\$0.79	89.8%	\$593	\$790
San Antonio	\$134,100	\$0.77	93.5%	\$578	\$770
Texas Metro Avg	\$138,700	\$0.78	91.4%	\$585	\$780

Source: Texas Real Estate Center Market Studies



Families with Children & Working Families



- Children under the age of 18 comprise 39% of the homeless population
- Families with children are the fastest growing segment of the homeless population
- Existing programs are overwhelmed
 - 4,406 families waiting for Public Housing
 - 5,100 families waiting for Housing Vouchers
 - Both waiting lists are closed

- Homeownership is out of reach for many
 - Homeownership in Austin is only 48% - compared to 64% for Texas and 66% for the nation
- Low minority homeownership rates
 - African-American: 37.3%
 - Hispanic: 36.3%
 - Asian: 30.2%
- Renters face budget pressures
 - Austin family has to make at least \$31,400 a year, or work full-time at \$15.10 an hour to rent a 2-bedroom apartment





Special Needs Housing & Seniors on Fixed Incomes



- Over 16,000 of Austin's low-income households include people with disabilities
- Paying beyond their means
- Priority need to serve mentally disabled
- Critical need to remove physical barriers
 - Residents often trapped in their homes or unable to visit others due to accessibility problems

- In the next 25 years, the number of Austin residents age 65 and over will increase by 218%
- Seniors face budget squeeze
 - 58% of low-income seniors who rent must forego other basic needs to pay for housing
- Seniors often live in poor housing conditions



Affordable Housing Goals



- Preserve long-term affordability
- Recycle public investment
- Mitigate gentrification

Current Housing Solutions to Reach Affordable Housing Goals



- Direct Client Assistance Programs
- Affordable Housing Partnerships
- S.M.A.R.T. Housing Incentives



Legal Considerations

- Federal Tax Law
 - Private use issues
- State Bond Finance Law
 - Public Benefit Test
- Prior Actions
 - Bond counsel assisted in preparing proposed program summaries
 - Bond Counsel submitted program summaries to Attorney General
- Remaining Approvals
 - AG preliminary approval of program summaries
 - AG review process of:
 - Council findings of public purpose
 - Ballot language
 - Program Guidelines
 - Council approval action



Program Recommendation

Objectives

- ✓ Satisfy legal requirements
- ✓ Fund affordable housing for those most in need
- ✓ Provide long-term affordable housing
- ✓ Leverage GO Bond funding with other funding
- ✓ Off-set loss of federal funding for housing

Housing Bond Recommendations



Recommended Programs	Recommended Amount	Target Income Level	Households Served
Rental Housing Development Program	\$30 million	Below 30% MFI	Homeless Disabled Elderly on fixed incomes Low wage earners
Home Ownership Program	\$20 million	50%-65% MFI	First time homebuyers Working families Elderly homeowners
TOTAL	\$50 million		



Recommendation - \$30 million

Rental Housing Development Assistance

- **Proposed Program:** Provides grants and loans to qualified developers for: property acquisition, design, infrastructure development, rehabilitation and construction of new or existing rental housing, including special needs housing.
- **Population To Be Served:** Households earning a maximum of 50% MFI. Target: 30% MFI or less.
- **Funding Level Recommendation:** 60% of GO Bond allocation



RHDA - Garden Terrace

- 85-unit SRO serving homeless and low-income adults earning less than 50% MFI
- Total project costs of \$4.5 million with \$1.6 million provided through AHFC by the City of Austin



RHDA - Lyons Gardens



- 54-unit rental development serving elderly households earning less than 50% MFI
- Total project costs of \$5.5 million with over \$800,000 provided through AHFC by the City of Austin





Recommendation - \$20 million

Acquisition & Development Program (Homeowner)

- **Proposed Program:** Provides grants and loans to qualified developers for: acquisition, design, construction, infrastructure development and improvements to develop or re-develop land for affordable homeownership, including CLTs.
- **Population Served:** Households earning a maximum of 80% MFI. Target: 50 - 65% MFI.
- **Funding Level Recommendation:** 40% of GO Bond allocation



Homeownership

- AHFC provides financing for owner-occupied residential developments for low- to moderate-income buyers.



Housing Bond Recommendations



Recommended Programs	Recommended Amount	Target Income Level	Households Served
Rental Housing Development Program	\$30 million	Below 30% MFI	Homeless Disabled Elderly on fixed incomes Low wage earners
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Parkland Acquisition



**Warren Struss, Director
Parks & Recreation Department**

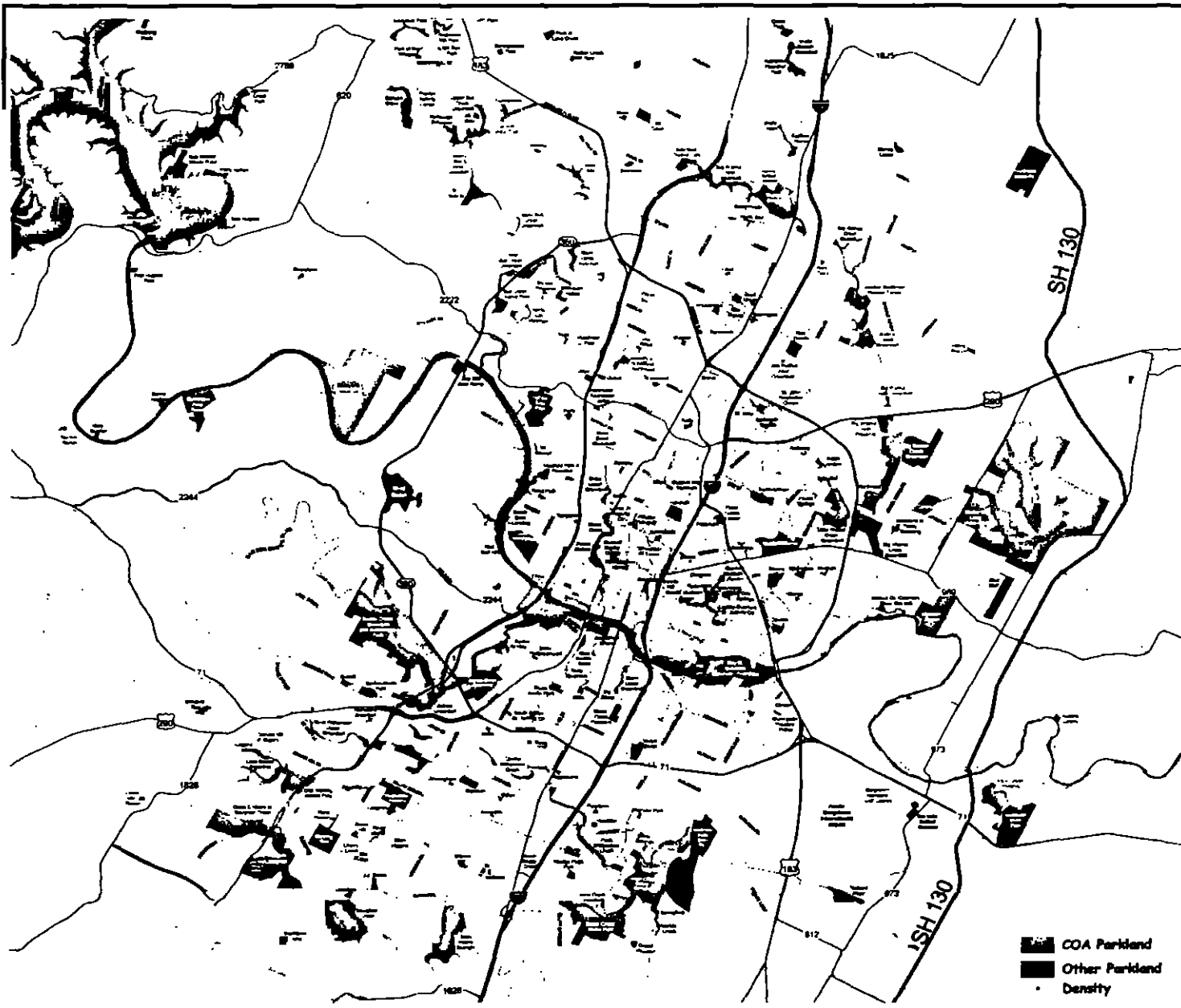
Overview



- Methodology
- Recommendation
 - Infill Parks
 - Greenways
 - Destination Parks



Population Density



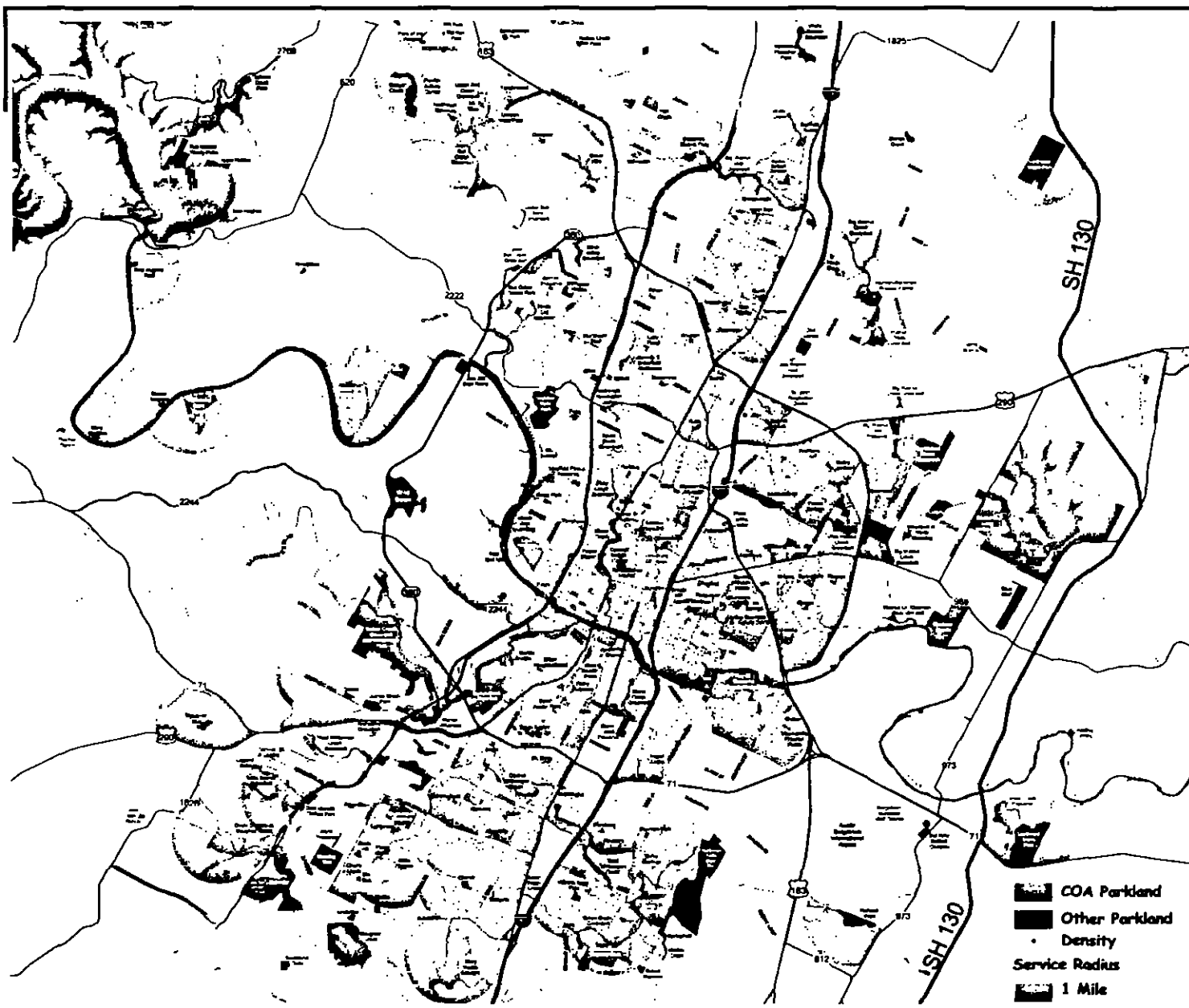
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Parks & Recreation

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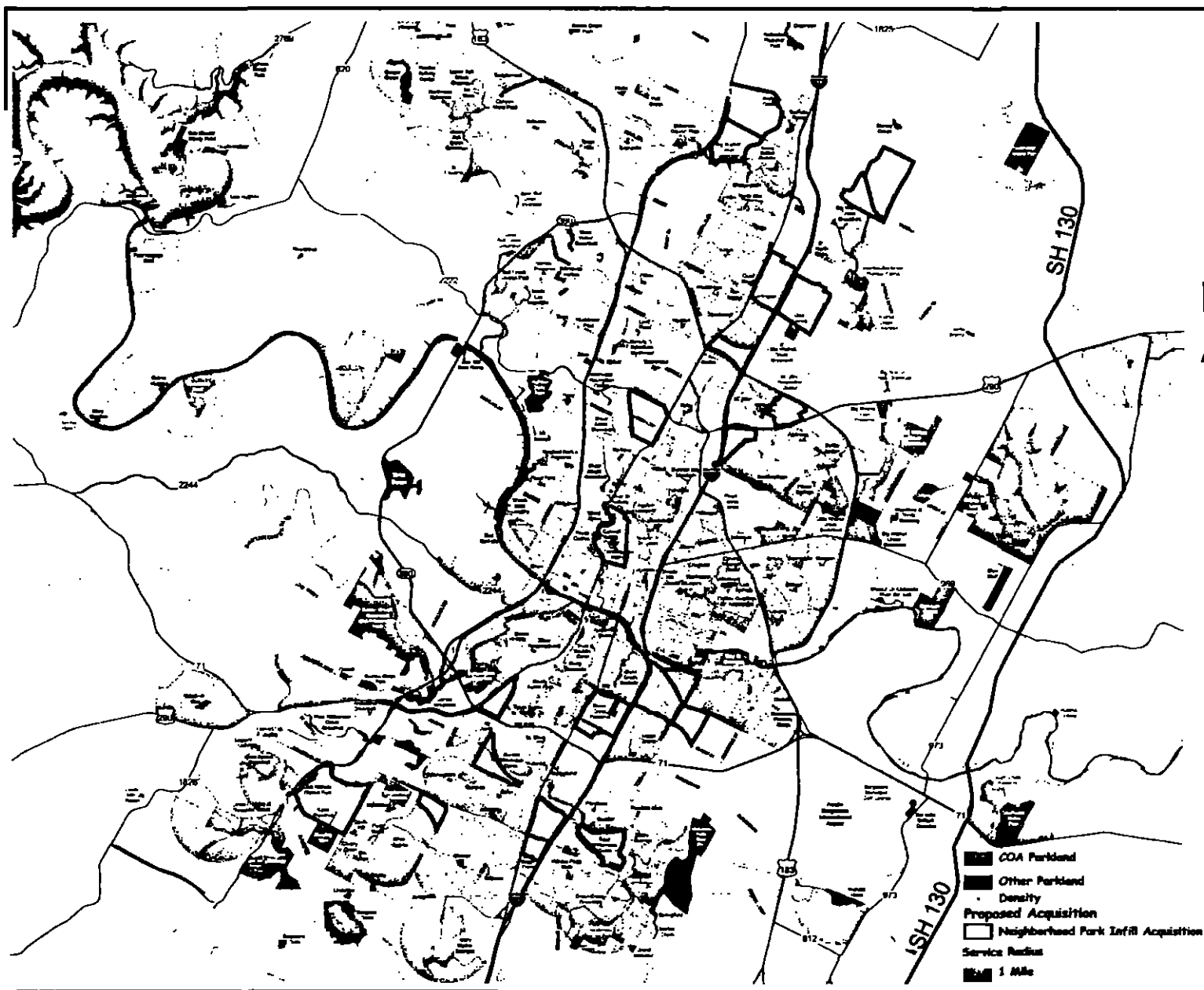


Infill Analysis





Infill Acquisition

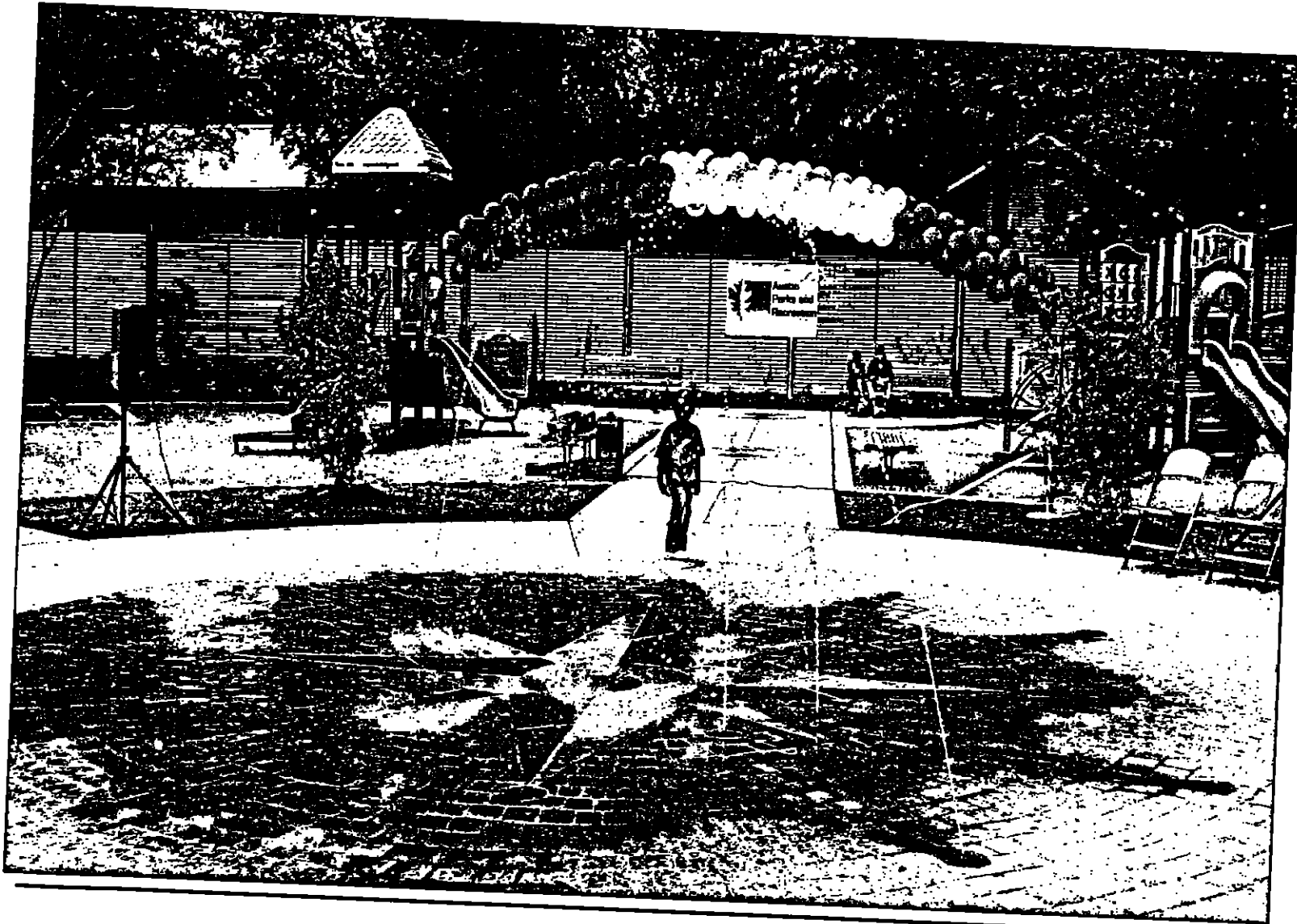


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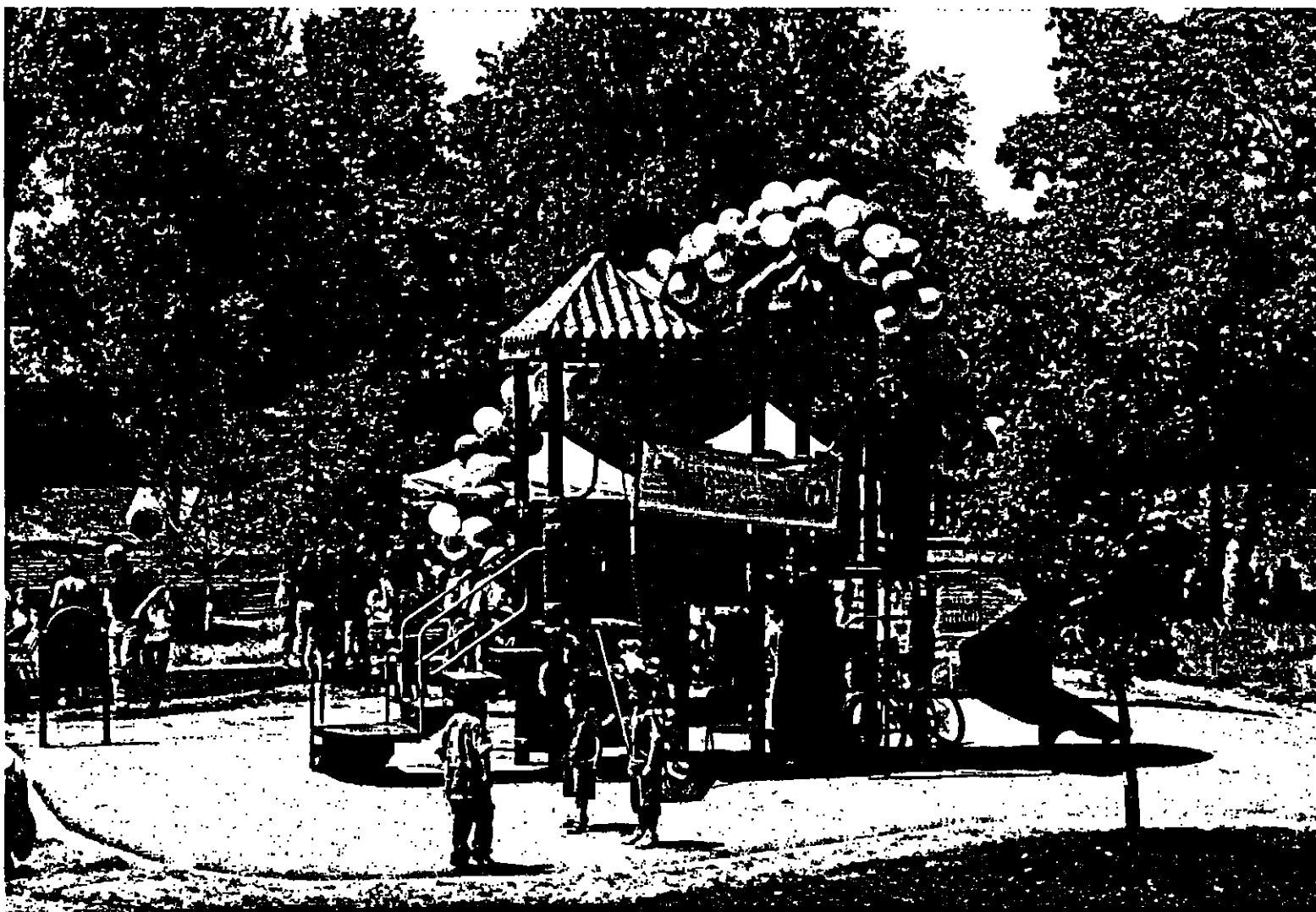
Infill Parks



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Parks & Recreation

Infill Parks



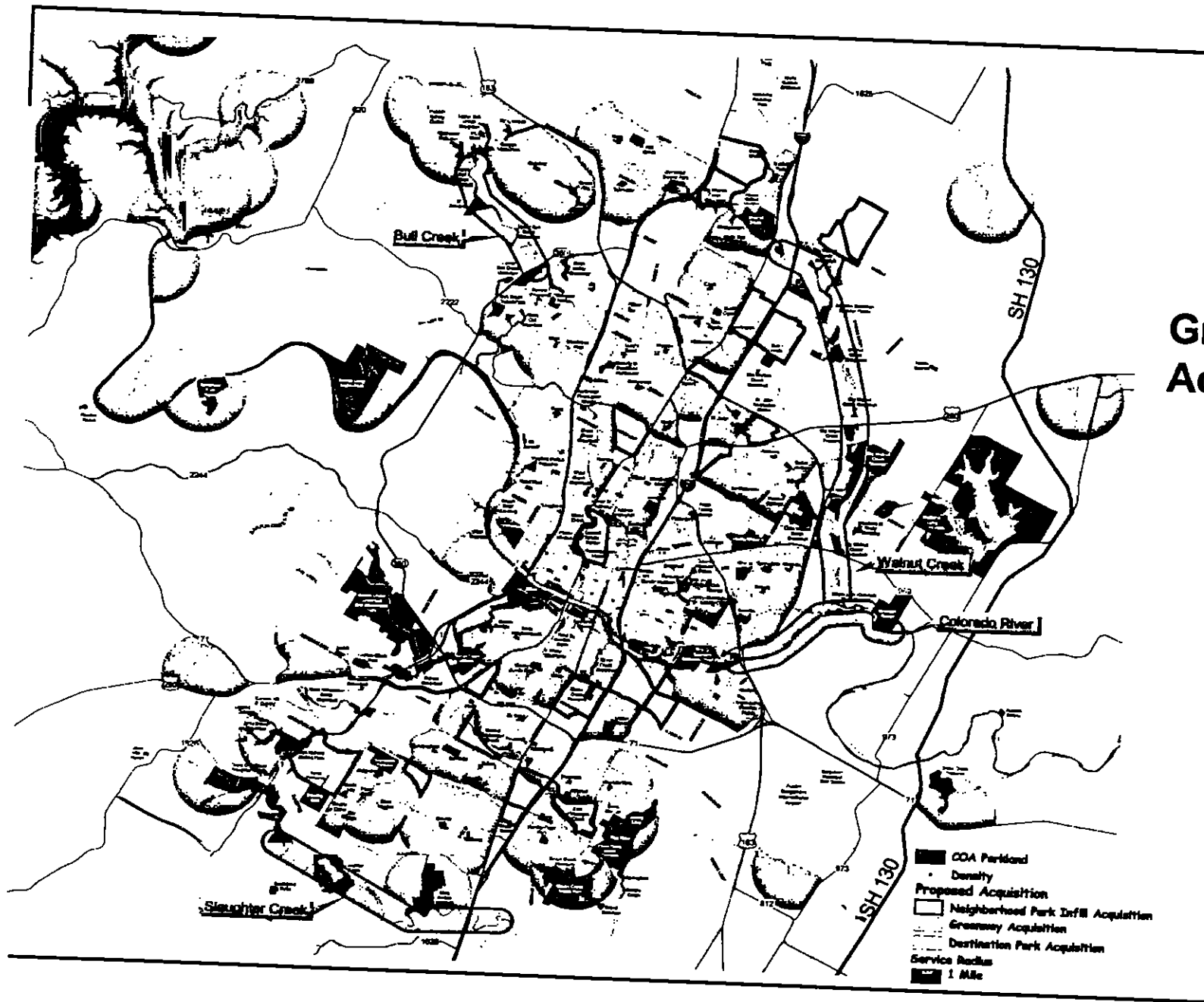
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Greenway Acquisition



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Parks & Recreation

Greenways



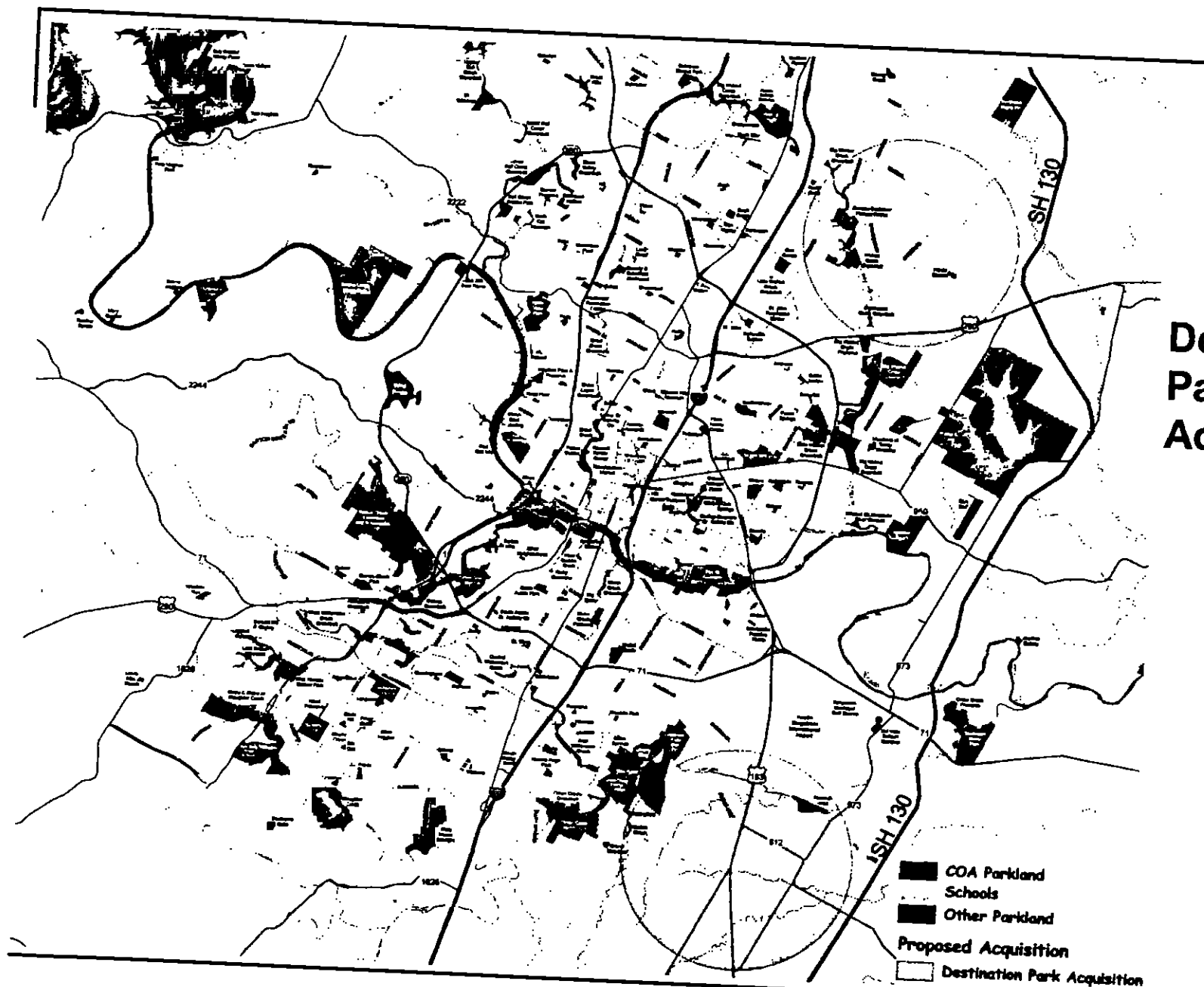
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Parks & Recreation

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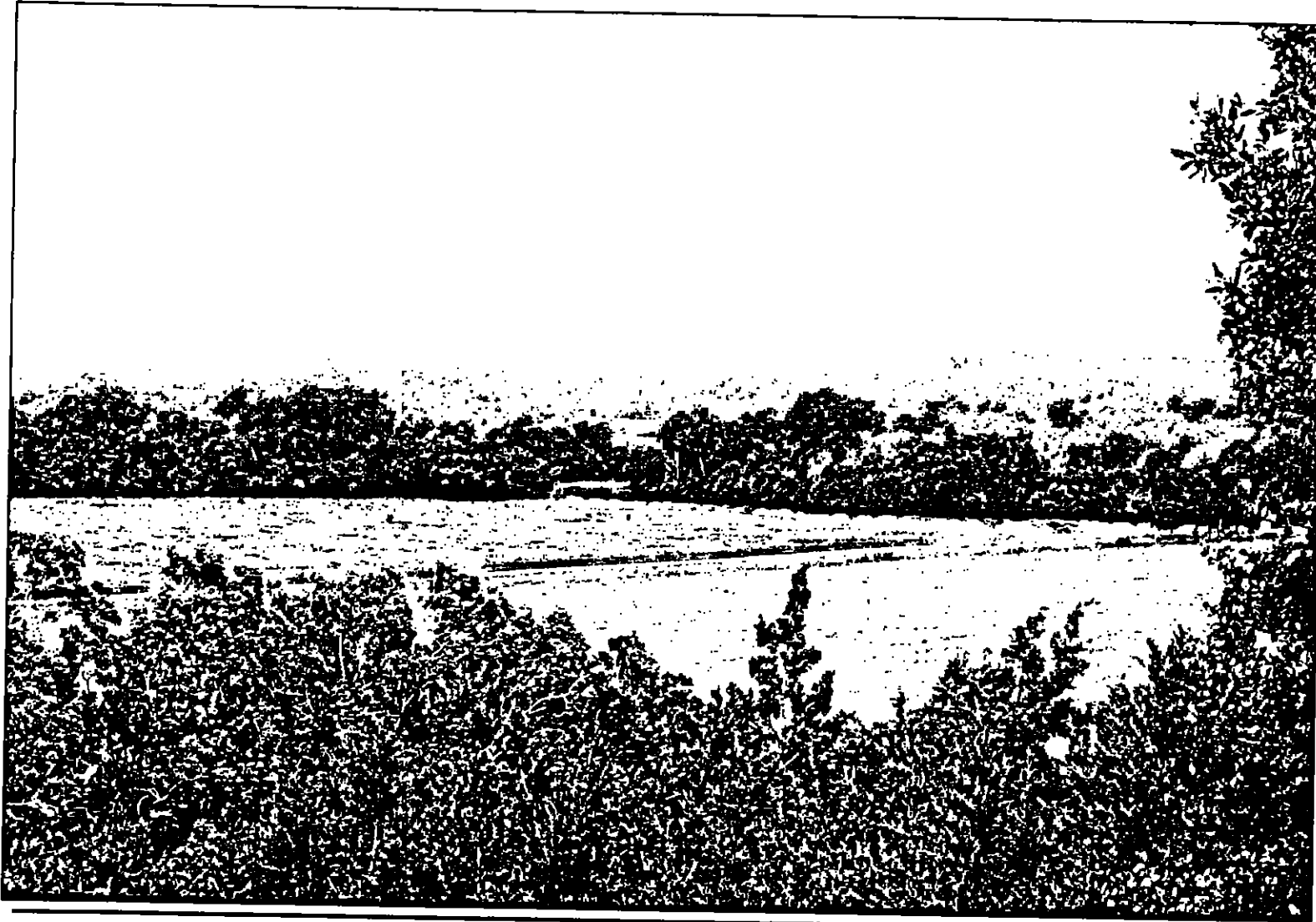
Destination Park Acquisition



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Parks & Recreation

Destination Parks

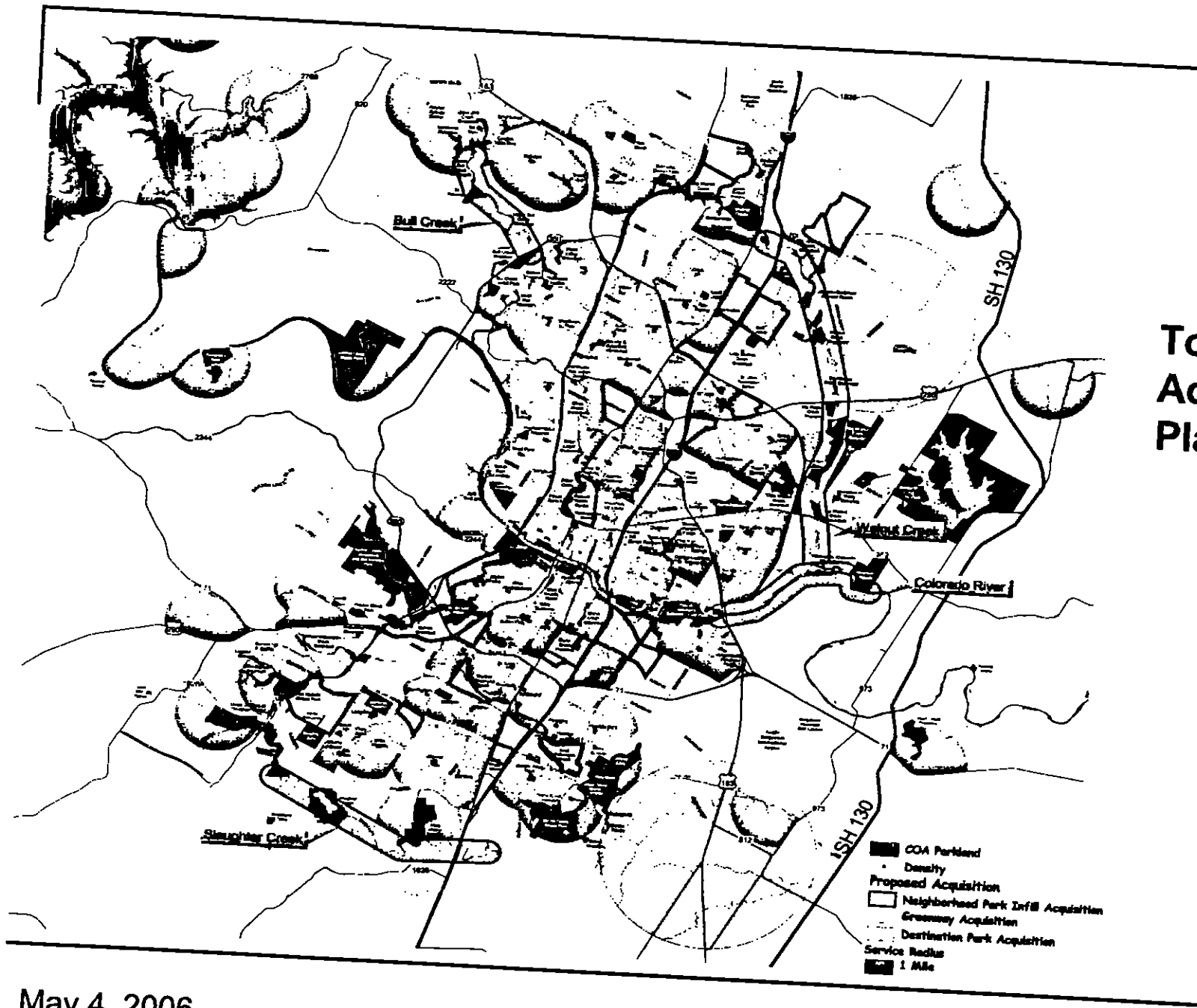


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Parks & Recreation



Total Acquisition Plan



May 4, 2006

Parks & Recreation

Recommendation



Infill: \$10 Million

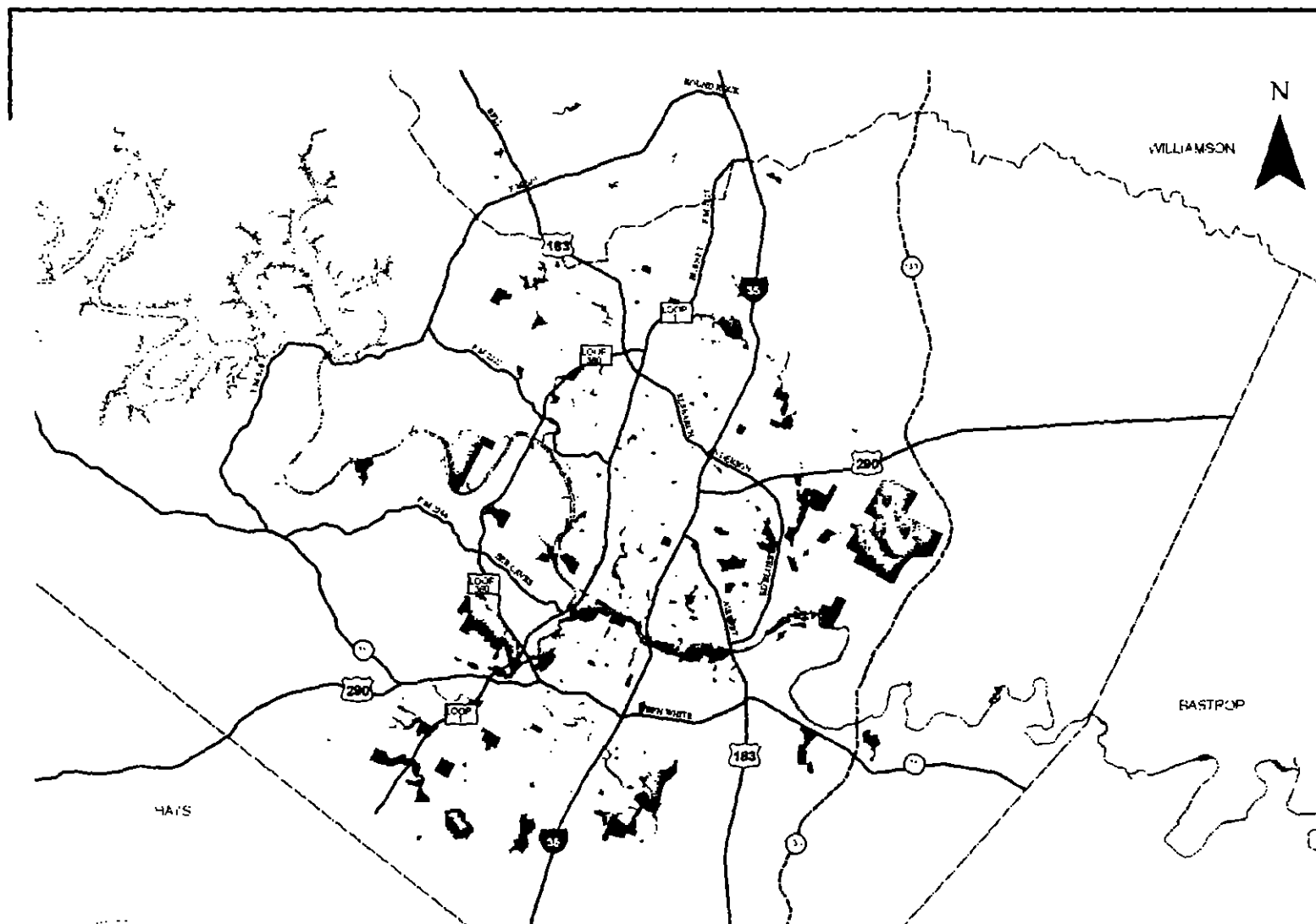
Greenways: \$5 Million

Destination Parks: \$5 Million

Total: \$20 Million

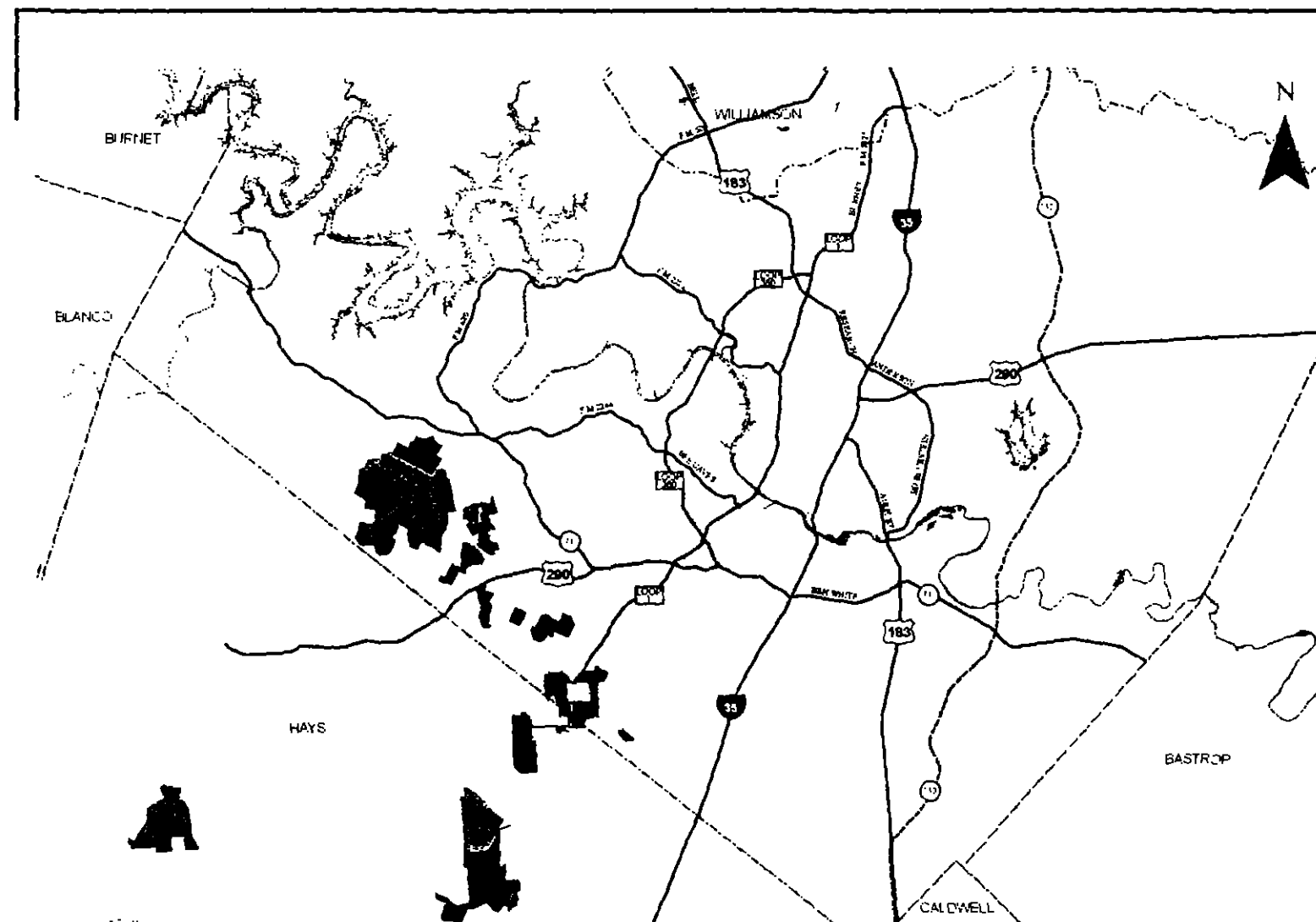
Open Space Acquisition



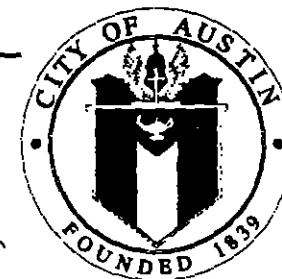
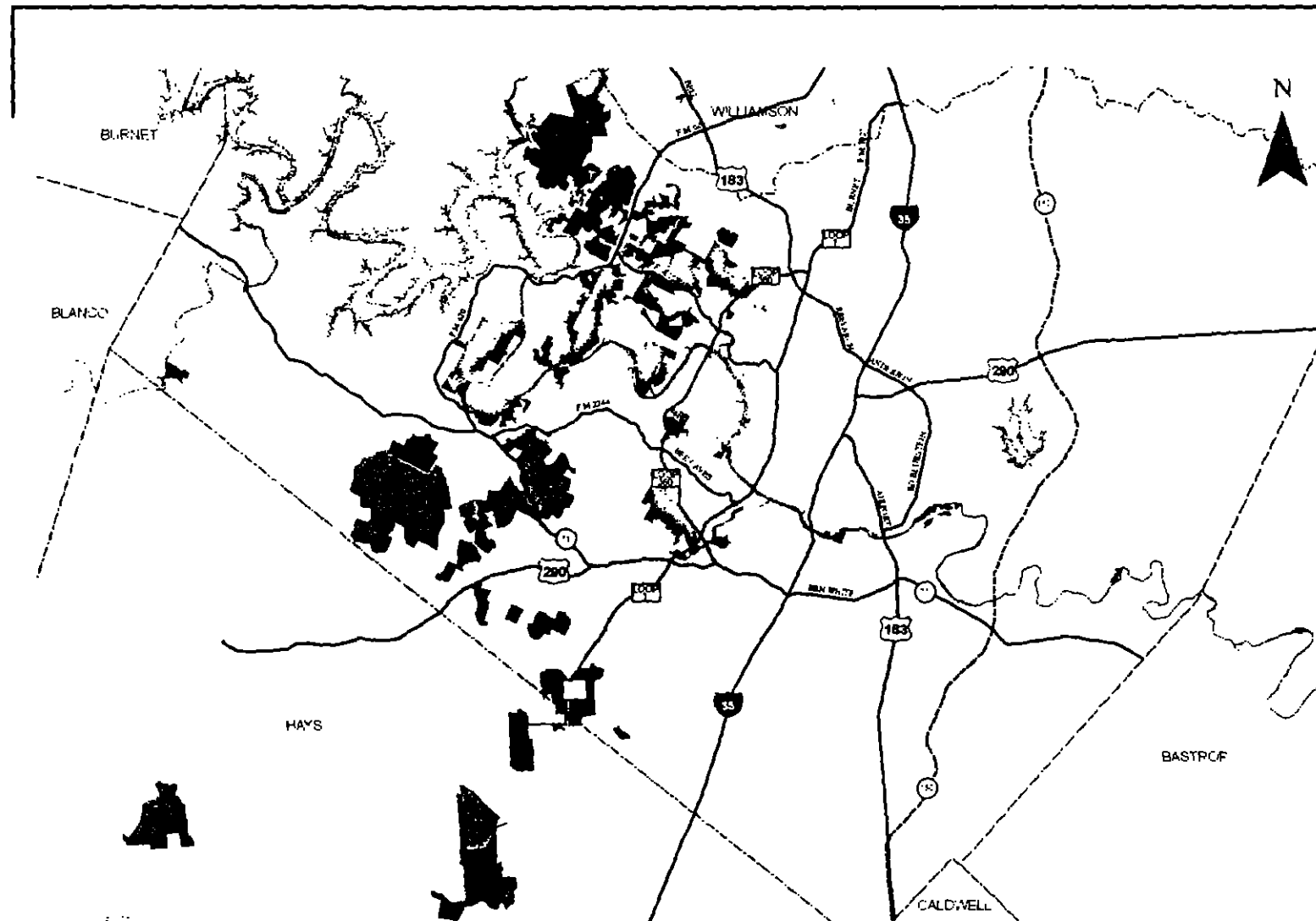


- City of Austin
- City of Austin Parks & Greenways
 - 1998 Destination Parks & Greenways

May 4, 2006



City of Austin	Water Quality Protection
Barton Springs Recharge Zone	Conservation Easement
Contributing Zone	Fee Simple



City of Austin

Barton Springs Recharge Zone

Contributing Zone

Water Quality Protection

Conservation Easement

Fee Simple

Preserve Land

City of Austin

Other

May 4, 2006

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Land Acquisition



- \$130 million over the past 15 years

	Amount	Acres
└ Water Quality Protection / Open Space		
■ November 2000 Bonds – Prop 2 Open Space	\$13.4 million	5,000
■ November 1998 Bonds – Prop 8 Water Quality	\$8 million	123
■ May 1998 Bonds – Prop 2 Barton Springs Clean Drinking Water	\$65 million	15,000
■ 1996 W/WW – Brodie	\$2 million	84
SUBTOTAL	\$88.4 million	20,207
└ Preserve Land		
■ August 1992 Bonds – Prop 10 Balcones Canyonlands Preserve	\$22 million	13,036
■ 1992 Barton Creek Wilderness	\$20 million	1,000
SUBTOTAL	\$42 million	14,036
TOTAL	\$130.4 million	34,243

Open Space Acquisition



- Recommendation - \$30 million
- Market conditions
 - Assumptions
 - Fee Simple
 - Conservation Easements (~ 50% of fee cost)
 - Public / Private dollars

Open Space Acquisition



■ Prioritization Criteria

- ❑ Recharge / Contributing Zone
- ❑ Development pressure
- ❑ Adjacent to existing fee and/or Conservation Easement
- ❑ Avoided pollution
- ❑ Baseflow protection
- ❑ Creeks – main channel / tributary
- ❑ Size

Parkland & Open Space Acquisition



- Recommendation - \$50 million
 - Parkland Acquisition - \$20 million
 - Open Space - \$30 million

Bond Program



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Subtotal	\$ 255.1 million	\$ 329.8 million	\$ 283.3 million
TOTAL	\$ 769.1 million	\$ 614.8 million	\$ 536.4 million

Next Steps



- May 18th
 - Public Hearing on Recommended Bond Program
- May 25th
 - Approve Ordinance to Set Bond Propositions
- June 8th
 - Approve Ordinance to Set Bond Propositions