

**Affordable Housing Working Group Recommendations:****\$161,000,000**

The working group feels this is the year to fund Affordable House. The cost of closing Austin's Affordable Housing Gap Today is around \$6.48 Billion (48,000 unit gap). The cost of closing Austin's Affordable Housing Gap in 2025 ≈ \$11.18 Billion. A bond that helps build more units in more parts of town, and helps keep people in their homes, will help keep people in Austin who live here today.

**Rental Housing Development Assistance Projects (RHDA)**

RHDA program increases or maintains the supply of affordable rental housing by addressing the rental housing needs identified by the City of Austin's Continuum of Housing Services, including Permanent Supportive Housing. Because of the increasing need for affordable rental housing, this is the highest priority funding "bucket." The vast majority of these units will be rental housing and will require subsidy to secure the affordability for the long-term. Staff anticipates greater need for rental housing subsidy due to changes in federal tax law that reduce the value of the Low Income Housing Tax Credit, as well as political uncertainty at the federal level around commitment and resources for affordable housing:

**\$75,000,000****Acquisition & Development (A&D) Homeownership Program**

The purpose of the A&D Homeownership Program is to address the need for affordably-priced ownership housing within the city. Housing developed through this program are to be owned and occupied by low- to moderate-income households. With several new subdivisions in the planning stages, the City anticipates increased need for investment in affordable homeownership. In addition, the City is expanding its Community Land Trust, which will be a major mechanism to ensure affordable homeownership for the long-term:

**\$18,000,000****Real Estate Acquisition**

This new forward-thinking initiative will enable AHFC to acquire land for future use for affordable housing development. The land can be developed by AHFC or be offered to non-profit or for-profit affordable housing developers. The lack of developable land in strategic areas is one of the biggest barriers to increasing affordable housing stock. The City of Austin has identified a variety of "missed opportunities," in which the city was offered right of first refusal by other taxing jurisdictions (including the State of Texas and Austin Independent School District); however, the City of Austin did not have the identified funding to readily acquire the properties. By AHFC acquiring and holding the land (as a patient property owner), the City will be better positioned to achieve its housing goals, including family-friendly housing in high opportunity areas and Permanent Supportive Housing connected with transit and employment opportunities:

**\$50,000,000**

*The working group recommends this money be used specifically for developing affordable housing, and not for "community benefits." The working group further recommends that the land purchased under this model be zoned "public" and allows for the maximum use for affordable housing for those making 60-120% median income to help increase housing options all over the city.*

**Home Repair Program**

The City of Austin has several programs to help low-income households repair their homes and become financially stable. Funds will be needed to carry out minor home repairs and rehabilitation throughout the community. Through the GO Repair! Program, the City contracts with seven nonprofit organizations that provide critical life safety repairs to low- and moderate-income homeowners' homes. Existing nonprofits in the Austin Housing Repair Coalition have expressed the capacity to increase the annual funding to \$3 - \$4 million per year. Additional funding would enable the nonprofit providers to increase their households served from 140 per year to approximately 200 per year.

**\$18,000,000**

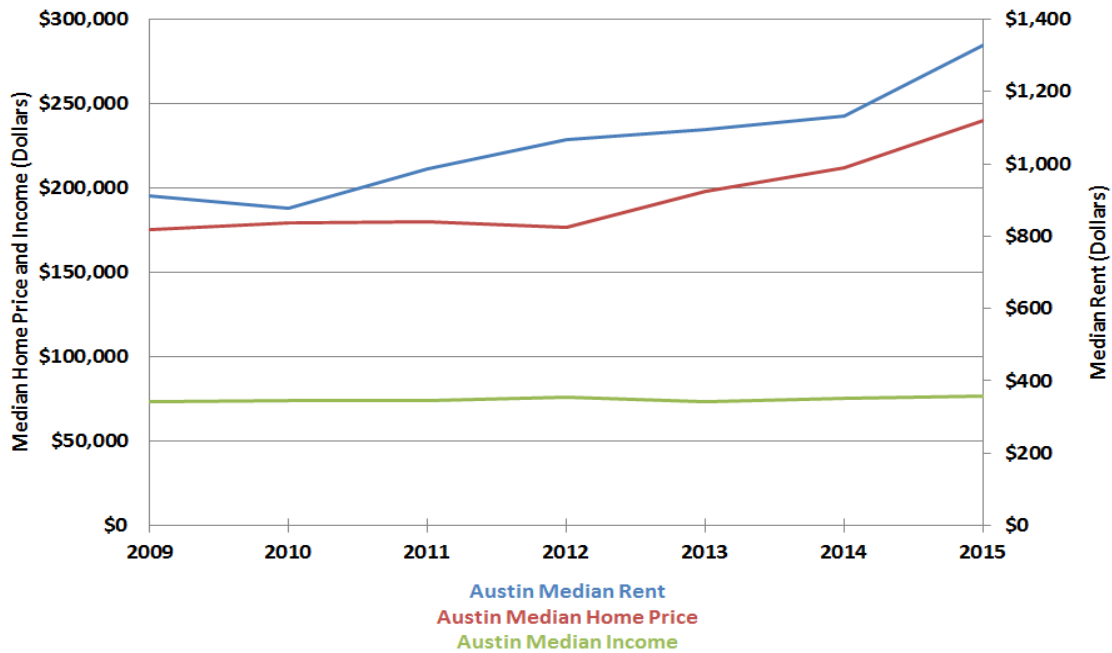
## Affordable Housing

### What is it?

Housing in which the residents are paying no more than 30 percent of his or her income for gross housing costs and no more than 45 percent of his or her income including transportation.

### Why do we need it?

*Wages Flat, Home Prices and Rents Rising Fast*



### Median Family Income

Median Family Income	1 Person Household	4 Person Household	Affordable Monthly Rent
30%	\$16,350	\$24,300	\$408-\$607
50%	\$27,250	\$38,900	\$681-\$972
80%	\$43,600	\$62,250	\$1,090-\$1,556

\$77,800 = median family income

\$1,197 = average rent per month

\$341,000 = median home price

### Populations Served:

- Veterans
- Seniors
- Chronically Homeless
- Families with Children
- Persons with Disabilities

**2013 Bonds:**

- In 2016, 1/3 of bonds had been spent (\$27 Mil)
- Bond funds were leveraged 7:1 with outside funding (\$190 Mil)
- Employed 2,300, resulted in 1,278 units of rental housing

**2018 Bond:**

\$18 Million to Home Repair (status quo)

\$18 Million to Homeownership (status quo)

\$75 Million to Rental Housing Assistance (increase)

\$50 Million to Land/Real Estate Acquisition (new funds)

\$161 Million

Land costs are rising, allowing the City to get out ahead and purchase Real Estate that fits Austin's goals for housing is the best way to serve people from 140% Median Family Income and below. Serves lots of people with lots of housing options all over the city.