

# BLUEPRINT IMPLEMENTATION BRIEFING BOOK



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## Table of Contents

Introduction	3
Community And Council Engagement Strategy	11
One- To Two-Year Workplan	17
Displacement Mitigation Strategy	57
Affordable Housing Bond Implementation Strategy: RHDA, OHDA, & Go Repair!	71
Acquisition And Disposition Strategy	79
Acquisition And Disposition Criteria	89
Leveraging Opportunities To Enhance Low-Income Tax Credit Housing	95
Preservation Strategy	101
Legislative Change Strategy	107
Funding Sources And Resource Needs	109

## Appendices

*A. Blueprint Implementation Resource Document*

*B. Blueprint Atlas of Existing and Historical Conditions, Corridor & Council District Goals*

*C. Council Resolution Index*

*D. Displacement Mitigation Recommendations that Contributed to 1-2 Year Work Plan*

*E. All Displacement Mitigation Recommendations by Report*

*F. All Displacement Mitigation Recommendations by Synthesis Result*

*G. Comments on the Draft Blueprint Implementation Resources*

*H. Resolutions and Contracts with the Voters*

## List of Acronyms and Abbreviations

ACD-- Austin Code Department	iTeam – Innovation Office
ACT -- Affordable Central Texas	LIHTC -- Low Income Housing Tax Credit
AE-- Austin Energy	MFI -- Median Family Income
AFD – City of Austin Finance Department	NHCD -- Neighborhood Housing and Community Development Department
AHFC -- Austin Housing Finance Corporation	OHDA -- Ownership Housing Development Assistance
AI -- Analysis of Impediments to Fair Housing	OTRA – Office of Telecommunications and Regulatory Affairs
<i>ALD – City of Austin Law Department</i>	OoS – Office of Sustainability
<i>APH – City of Austin Public Health</i>	<i>PARD – Parks and Recreation Department</i>
<i>ATD – City of Austin Transportation Department\</i>	PAZ -- Planning and Zoning Department
<i>AW – Austin Water</i>	PWD – Public Works Department
<i>Blueprint -- Austin Strategic Housing Blueprint</i>	QAP -- Qualified Allocation Plan
CDFI -- Community Development Financial Institution	REIT -- Real Estate Investment Trust
CPO – City of Austin Corridor Program Office	RHDA -- Rental Housing Development Assistance
DIP -- Development Information Packet	SMBR – Small and Minority Business Resources Department
DSD -- Development Services Department	TDHCA -- Texas Department of Housing and Community Affairs
EDD – Economic Development Department	<i>Uprooted -- University of Texas at Austin report: Uprooted: Residential Displacement in Austin’s Gentrifying Neighborhoods and What Can Be Done About It</i>
EE/FHO – Equal Employment and Fair Housing Office	WPD – Watershed Protection Department
FY -- Fiscal Year	
GO Bond -- General Obligation Bond	
GO Repair! -- General Obligation Bond Funded Home Repair Program	
HACA -- Housing Authority of the City of Austin	
HIRC -- Housing Investment Review Committee	
HUD -- U.S. Department of Housing and Urban Development	
IGR – City of Austin Intergovernmental Relations Office	

# INTRODUCTION



# INTRODUCTION

## THE BLUEPRINT IMPLEMENTATION BRIEFING BOOK

The Blueprint Implementation Briefing Book provides a comprehensive summary of Neighborhood Housing and Community Development (NHCD) Department's one to two year plan to implement the adopted *Austin Strategic Housing Blueprint (Blueprint)*. The Briefing Book includes information about processes already underway to implement the *Blueprint*, as well as NHCD's short term plan to address high priority actions recommended in numerous community plans, reports, and studies regarding Austin's challenge with residential displacement that have been completed since the 2017 adoption of the *Blueprint*. The book introduces NHCD's short-term Displacement Mitigation Plan and outlines strategies for NHCD's new and existing programs in alignment with the long-term vision outlined in the *Blueprint*.

## DEVELOPMENT OF THE AUSTIN STRATEGIC HOUSING BLUEPRINT

In spring 2017, the Austin City Council adopted the first ever *Austin Strategic Housing Blueprint*. The document helps align resources, ensures a unified strategic direction, and facilitates community partnerships to achieve this shared vision. The plan identifies funding mechanisms, potential regulations, and other creative approaches the City of Austin should utilize to achieve housing goals, including the creation of 60,000 affordable units over the coming decade for households

earning approximately \$60,000 or less per year - in line with the [Imagine Austin Comprehensive Plan](#).

The *Blueprint* identified five community values to guide the process, including:

- Prevent households from being priced out of Austin;
- Foster equitable, integrated, and diverse communities;
- Invest in housing for those most in need;
- Create new and affordable housing choices for all Austinites in all parts of Austin; and,
- Help Austinites reduce their household costs.

## COUNCIL ADOPTION OF THE STRATEGIC HOUSING BLUEPRINT & DEVELOPMENT OF THE BRIEFING BOOK

City Council Resolution No. [20170413-024](#) and Resolution No. [20170413-025](#) directed the City Manager to coordinate implementation steps for each of the Key Actions in the *Blueprint*, and to document progress and obtain ongoing public feedback. The resolutions specified that the City Manager should identify steps and resources necessary to achieve the goals of the *Blueprint* and strategies for affordable housing preservation to avoid significant loss of existing affordable housing.

In December 2017, the City of Austin contracted with [Asakura Robinson](#) and a local sub-consultant [Austin Community Design & Development Center \(ACDDC\)](#) to address the resolutions. NHCD

released a draft [Blueprint Implementation Plan](#), and its companion [Atlas of Existing and Historical Conditions](#) in November 2018.

The Implementation Resource Document (previously titled Blueprint Implementation Plan) has two components:

1. [Blueprint Implementation Resource Document](#): Stakeholder engagement and use of the Atlas and Corridor Analysis to create detailed action items based on each *Blueprint* strategy.
2. [Atlas of Existing and Historical Conditions](#): Citywide mapping and analysis to help operationalize key metrics in the *Blueprint*. It also defines key goals at a corridor level for the 2016 Mobility Bond corridors using the University of Texas Corridor Preservation Tool.

## CONSIDERATION OF ADDITIONAL DISPLACEMENT MITIGATION RECOMMENDATIONS

“Prevent[ing] households from being priced out of Austin” was one of the five key community values identified during public engagement to develop the *Blueprint*. However, since the adoption of the *Blueprint*, several additional studies, reports, assessments and plans regarding residential displacement have been completed and offer over 300 recommendations to mitigate displacement. These community plans include:

- The University of Texas at Austin’s Gentrification study, [Uprooted: Residential Displacement in Austin’s Gentrifying Neighborhoods, and What Can Be Done About It](#) (56 recommendations)
- [People’s Plan](#) (19 recommendations)
- [Anti-Displacement Taskforce Report](#) (107 recommendations)

- [Mayor’s Task Force on Institutional Racism and Systemic Inequities Report](#) (40 housing recommendations)
- [Fair Housing Action Plan](#) (2015) (32 recommendations)
- [Central Texas Fair Housing Assessment](#) (2019) (In Development)
- [Austin’s Plan to End Homelessness](#) (10+ housing-related recommendations)

Acknowledging many Austin residents face an immediate threat of residential displacement, NHCD and the Innovation Office worked together to develop a short-term Displacement Mitigation Strategy to be implemented over the next one to two years. NHCD and the Innovation Office evaluated each of the 300+ recommendations based on impact and effort, and as a result 15 strategies were included in the Displacement Mitigation Strategy. These 15 strategies include actions to assist households facing displacement now, and strategies to address the citywide affordable housing stock.

## ONE- TO TWO-YEAR WORK PLAN

Based on the additional displacement mitigation recommendations received, staff developed a one to two year work plan responsive to City Council Resolution Nos. [20170413-024](#) and [20170413-025](#) to implement the *Blueprint*, with specific actions, short-term priorities, and geographically-specific goals.

## CONTRACTS WITH VOTERS

In 2016 Austin voters approved general obligation bonds for transportation and mobility improvements throughout the city and in 2018 Austin voters approved general obligation bond funding for housing. All strategies included in the *Blueprint* will continue to honor the directives in both contracts with voters.

## 2016 MOBILITY BONDS

In November of 2016, Austin voters approved \$720 million in bonds in 2016 for transportation and mobility improvements throughout the city. The Contract with the Voters found in Resolution No. [20160818-075](#) directed the City Manager: *When City staff has gathered sufficient data to develop potential construction elements for the Corridor Improvement Projects, and before any construction funding is appropriated or construction initiated for these projects, the City Manager is direct to bring forth recommendations supported by identifiable metrics for implementation of a “Corridor Construction Program” in ways that prioritize: i) preservation of existing affordable housing and local businesses on the corridors and opportunities for development of new affordable housing along the corridors, including but not limited to, the use of community land trusts, tax increment finance zones along corridors, homestead preservation zone tools, revisions to the S.M.A.R.T. Housing Program, and targeted investments on the corridors utilizing affordable housing bonds and the Housing Trust Fund; ii) geographic distribution of funding; and iii) opportunities to facilitate increased supply of mixed-income housing.*

## 2018 GENERAL OBLIGATION BONDS FOR HOUSING

In November of 2018, Austin voters approved proposition A, which provided \$250 million in funding for the creation, rehabilitation, and retention of affordable rental and ownership housing. The Contract with the Voters found in Resolution No. [20180809-061](#) directed the City Manager to fund projects and/or programs based on the following minimum guidelines/metrics:

- Number of low- and moderate-income affordable units, where “low- and moderate-income” is defined as no more than 50% of the median family income for rental programs

and no more than 80% of the median family income for homeowner programs

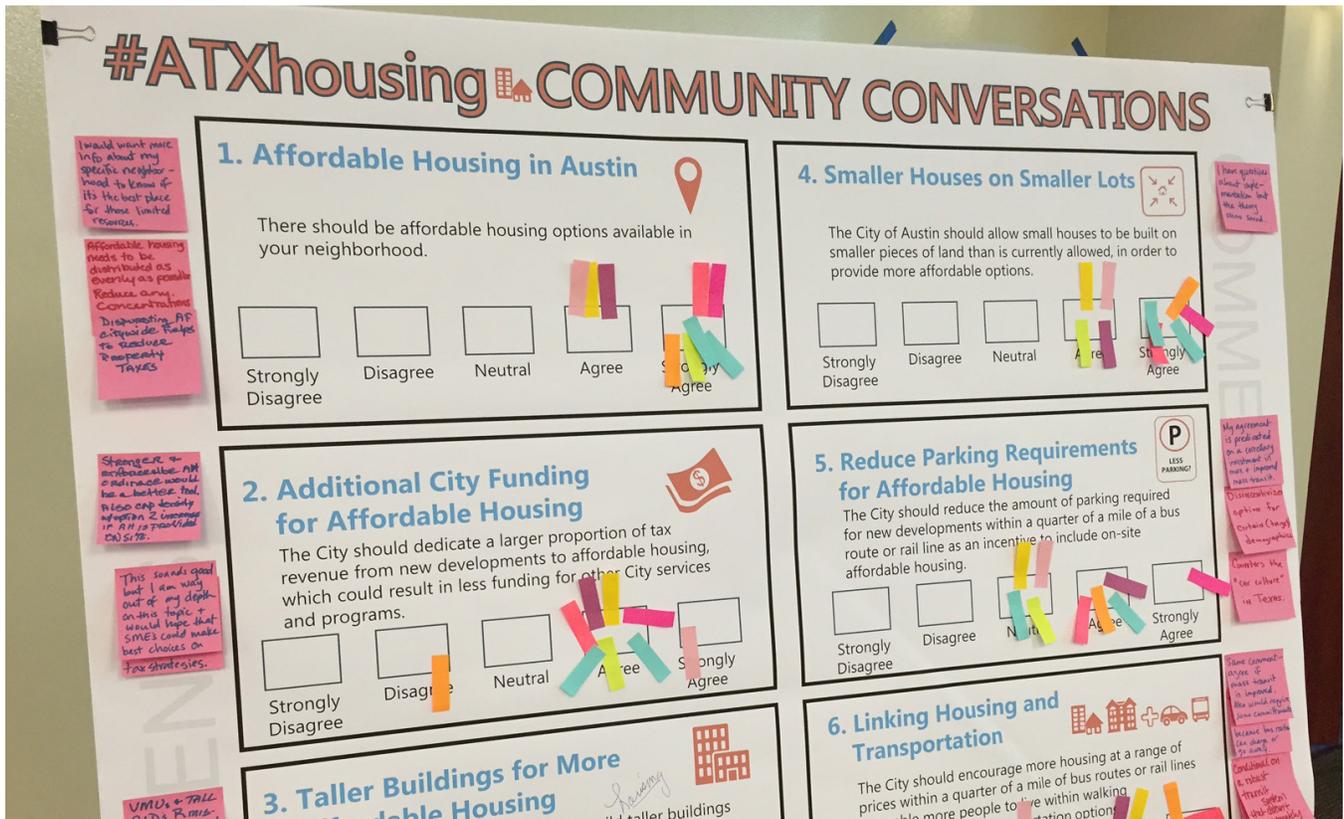
- Ability to reach deeper levels of affordability
- Length of affordability
- Number of permanent supportive housing units, including housing first units
- Provision of low- and moderate-income housing in high opportunity areas throughout the city, gentrifying areas, and areas susceptible to gentrification and displacement, and promotion of the goals adopted in the *Strategic Housing Blueprint*
- Ability to further the goals adopted in the *Strategic Housing Blueprint*
- The Economic Opportunity & Affordability Indicators in *Austin Strategic Direction 2023*

## STRATEGIC CONSIDERATIONS

The Imagine Austin Comprehensive Plan, 2016 Mobility Bond Corridor Program, and the Capital Metro Project Connect all inform the strategies to implement the *Blueprint*. The Imagine Austin Comprehensive Plan identifies centers and corridors as future transit-oriented, mixed-use centers of activity connected by multiple forms of travel. The 2016 Mobility Bond Corridor Program defines corridors where the City intends to target investment for greater multi-modal mobility options. The Capital Metro Project Connect Long Range Plan describes a fully connected transit network throughout the Austin area. Council-adopted affordable housing goals for corridors and council districts will guide the production and preservation of affordable housing to support the plans.

# COLLABORATION AND STRATEGIC DIRECTION 2023 (SD23)

A significant number of displacement mitigation and *Blueprint* recommendations are outside NHCD’s zone of control; however, collaboration is already underway with the interdepartmental Housing + Transit + Jobs Action Team, which includes NHCD, Planning and Zoning Department, Transportation Department, Economic Development Department, Corridor Program Office, and Capital Metro. NHCD will provide all of the displacement mitigation recommendations outside of NHCD’s zone of control to the relevant departments or entities and collaborate with them regarding potential ways to consider the recommendations as part of their planning processes. NHCD is also collaborating with the Equity Office, Intergovernmental Relations Office, Office of Real Estate Services, Law, Economic Development Department, Transportation Department, Corridor Program Office, Innovation Office, Communications and Telecommunications on a variety of actions to implement the *Blueprint* and displacement mitigation strategy. NHCD will leverage partnerships through the shared SD23 Economic Opportunity and Affordability Strategic Outcome Group to implement the actions in the one to two year work plan and to impact the Economic Opportunity and Affordability outcome metrics.



Planning and collaboration with community stakeholders, City departments, and affordable housing entities in the community helped inform the Austin Strategic Housing Blueprint and the Implementation Resource Document.

# COMPONENTS OF THE BLUEPRINT IMPLEMENTATION BRIEFING BOOK

There are 12 parts to the Blueprint Implementation Briefing Book:

1. **Introduction:** Provides background information for the *Strategic Housing Blueprint*, plans for implementing the *Blueprint*, and describes components of the Briefing Book.
2. **Community & Council Engagement Strategy:** Describes the coordinated Community Engagement Strategy for the *Strategic Housing Blueprint* with additional Displacement Mitigation and Housing Preservation strategies, *Austin Strategic Direction 2023*, and the Federally Required Consolidated Plan.
3. **One- to Two-Year Work Plan:** Housing strategy with Short-Term (one to two years) actions to implement the *Blueprint*. It also includes additional Displacement Mitigation and Housing Preservation Strategies.
4. **Displacement Mitigation Strategy:** Describes 15 high-impact strategies that address residential displacement and will be implemented over the next one to two years.
5. **Bond Implementation: Rental Housing Development Assistance, Home Ownership Development Assistance and GO! Repair:** Describes revised program policies aligned with the *Blueprint*. Offers a more competitive and comprehensive application and award process for each program.
6. **Acquisition & Disposition Strategy:** Describes the AHFC development process including the 2018 housing bond land acquisition strategy. Includes a process for identifying land, buildings and mobile home parks for acquisition, and the implementation steps for acquisition.
7. **Acquisition Criteria:** Acquisition criteria for land and buildings, which complements the Acquisition and Disposition Strategy.
8. **Low Income Housing Tax Credit (LIHTC) Strategy:** Describes the strategy and process for Low Income Housing Tax Credits. Discusses new 4% LIHTC application review processes.
9. **Preservation Strategy & Criteria:** Describes process and criteria to assess properties with expiring affordability and properties that are currently market-rate affordable to meet goals in the *Blueprint*.
10. **Legislative Change Strategy:** Outlines recommended displacement mitigation strategies that require legislative change.
11. **Funding Sources and Resource Needs:** Includes a comprehensive list of funding sources and how they are currently restricted by use and geography, as well as staffing and contracted resource needs for NHCD to meet *Blueprint* goals over the coming years.
12. **Appendices:**
  - A. **Blueprint Implementation Resource Document:** Outlines community values, objectives, and actions for implementing the *Blueprint*.
  - B. **Blueprint Atlas of Existing and Historical Conditions, Corridor and Council District Goals:** Citywide mapping and analysis to operationalize key metrics in the *Blueprint*. It also defines key goals at a corridor level for the 2016 Mobility Bond corridors (to align with CapMetro Project Connect Long Term Vision) using the University of Texas Corridor Preservation Tool and sets City Council District Goals.
  - C. **Council Resolution Index:** Listing showing the status of each resolution.

- D. Matrix of All Displacement Mitigation Recommendations that Contributed to the Displacement Mitigation Plan:** Includes the sources for each recommendation.
- E. All Displacement Mitigation Recommendations by Report:** Organized by report.
- F. All Displacement Mitigation Recommendations by Synthesis Result:** Shows status of recommendations.
- G. Comments to Draft Blueprint Implementation Resources:** Includes comments submitted during the public comment period after the November 2018 release of Draft Implementation Plan and Atlas of Historical and Existing Conditions documents and contracts with the voters.
- H. Resolutions and Contracts with the Voters:** Includes the resolution that established the creation of plans for implementing the *Blueprint*, the 2016 Mobility Bond Contract with the Voters, and the 2018 Affordable Housing Bond Contract with the Voters.
- I. Full methodology for Displacement Mitigation Strategy:** Describes the Innovation Office methodology for synthesizing reports and prioritizing recommendations.



# COMMUNITY AND COUNCIL ENGAGEMENT STRATEGY



# COMMUNITY AND COUNCIL ENGAGEMENT STRATEGY

The Department of Neighborhood Housing and Community Development (NHCD) has developed a Community Engagement Strategy to build a mutually instructive dialogue with a broad spectrum of Austinites. The strategy incorporates a variety of methods and tools to generate feedback from the community to prioritize and endorse ways to improve the affordability of housing for low and moderate income Austinites while mitigating residential displacement.

The framework of the engagement strategy relies on coordinating four separate but coordinated approaches:

- Implementing the *Strategic Housing Blueprint*, including additional Displacement Mitigation and Housing Preservation strategies
- “Moving the Needle” on *Austin Strategic Direction 2023* indicators
- Fulfilling the requirements to develop a *Five-Year Consolidated Plan for Federal Funding*

While each of these approaches carries its own requirements, the ability to orchestrate a comprehensive funding matrix including \$250 million in 2018 General Obligation Bond funds; the City’s Housing Trust Fund; and ongoing formula federal grants, serves to optimize City resources for achieving both short- and long-term affordable housing priorities.

## AUSTIN STRATEGIC HOUSING BLUEPRINT

The current engagement process builds on the extensive community outreach conducted in

2016 and 2017 to develop the *Strategic Housing Blueprint*, which Council adopted in 2017. Outreach for the *Blueprint* included more than 30 public meetings at senior centers, faith-based communities, and schools, and a statistically valid, bilingual survey to discern residents’ priorities for securing affordable housing and mitigating residential displacement. NHCD also conducted a detailed analysis of national planning models, tracked long-term building trends, and examined a range of potential local economic scenarios for the next decade. This community engagement resulted in identifying the five community values that guide the *Blueprint*:

1. Prevent households from being priced out of Austin
2. Foster equitable, integrated, and diverse communities
3. Invest in housing for those most in need
4. Create new and affordable housing choices for all Austinites in all parts of Austin
5. Help Austinites reduce their household costs

In addition, more refined numerical goals have been proposed by council district and along each of the 2016 Mobility Bond Corridors.

## AUSTIN STRATEGIC DIRECTION 2023

Austin City Council adopted *Austin Strategic Direction 2023*, a five-year strategic plan for the City on March 8, 2018, to guide the City of Austin planning and appropriations. For Fiscal Year 2018-2019, the plan included increasing the general

homestead exemption from 8% to 10%, increasing funding for the Housing Trust Fund by \$3.1 million increase, and allocating \$28.7 million in funding for homelessness programs.

Six strategic outcomes were identified:

- Economic Opportunity & Affordability
- Mobility
- Health & Environment
- Safety
- Culture & Lifelong Learning
- Government that Works for All

Across the six outcomes are the following strategic themes that underpin the *Strategic Direction* and how it will be implemented: equity, affordability, innovation, resiliency and sustainability, proactive prevention, and community trust and relationships.

Within each outcome, indicators with a series of metrics were established to track progress for each outcome. Council identified a “Top 10 Indicator List,” where Council would like to see the highest levels of improvement over the next two to three years. Under the Economic Opportunity and Affordability Strategic Outcome these include:

- Homelessness
- Housing
- Skills & Capability of our Community Workforce (including education)

## DISPLACEMENT MITIGATION & HOUSING PRESERVATION

The framework of the NHCD engagement strategy also incorporates the more than 300 recommendations and reports recently developed as part of the City’s *Strategic Direction* discernment process, including:

- *Austin Strategic Housing Blueprint* (65 actions)

- University of Texas Gentrification Study, *Uprooted* (56 actions)
- People’s Plan (19 actions)
- Anti-Displacement Taskforce (100+ actions)
- Mayor’s Task Force on Institutional Racism & Systemic Inequities (40 housing actions)
- Fair Housing Action Plan (2015) (32 actions)
- Fair Housing Action Plan (2019) (In Development)
- Austin’s Plan to End Homelessness (10+ housing actions)

Working with the City’s Innovation Office, NHCD synthesized the reports and their recommendations into a short-term Displacement Mitigation Strategy to be implemented over the next one to two years. The Innovation Office will help pilot a neighborhood-based approach to displacement mitigation that selects and adapts a set of interventions based on the needs and on-the-ground realities of a given community.

## FIVE-YEAR CONSOLIDATED PLAN FOR FEDERAL FUNDING

As the recipient of U.S. Department of Housing and Urban Development (HUD) formula grant funding, NHCD is statutorily required to submit a *Five-Year Consolidated Plan for Federal Funding*, which outlines how the City of Austin will utilize the grant funding over the five years, supplemented annually by a specific Action Plan that accounts for progress for each fiscal year. The City’s FY 2019-23 *Five-Year Consolidated Plan for Federal Funding* and *Year One Action Plan* are due in August of 2019, and will be the first to be submitted since the transition to the 10-1 Council District configuration and the adoption of the *Strategic Housing Blueprint* and the *Austin Strategic Direction 2023*.

The broader outreach conducted to inform the FY 2019-23 Consolidated Plan is being aligned with

implementation of the *Blueprint* to include several mechanisms for public engagement, including:

**Community engagement teams**, which are comprised of NHCD staff who facilitate discussions with community members, neighborhoods, and public groups on issues of affordable housing and anti-displacement as part of the Consolidated Plan. The goal is to gather feedback from community members regarding their needs, and to ensure that the needs of low- and moderate-income Austinites are reflected in the Consolidated Plan.

Reaching out to **community groups and neighborhoods** across each Council district. NHCD is coordinating with Council Members and the Community Development Commission to compile a list of groups and identify meetings where outreach can be undertaken.

**A proactive news media outreach campaign** will work specifically with Austin news sites to do stories on the importance of HUD funding to the city and affordable housing:

- *Media Promotion*: Working with city media outlets to do stories on the importance of CDBG funding and the opportunities for community input.
- *Television/Radio Interviews*: Schedule times for NHCD staff to go on local morning TV and radio programs (primarily weekends)
- *Public Service Announcements*: Filming public officials for brief radio and TV announcements can increase the profile of activities and encourage public participation in the public engagement process

**Promotion through digital resources**: NHCD will create a web page to act as a virtual hub source of information and give visitors an opportunity to provide feedback. In addition, a separate social media account can be created for the Consolidated Plan (i.e., @AustinConPlan), while leveraging the City's social media presence (e.g., Twitter, Facebook, Instagram, Pinterest, etc.), to distribute information and facilitate ongoing dialogue (e.g.,

dates of upcoming hearings, public comment periods, and how to provide comments). The outreach will also take advantage of the new NHCD *HousingMatters* E-newsletter and partner agency/organization mailing lists.

## REGULAR TOUCHPOINTS FOR COUNCIL

NHCD will solicit feedback from the Community Development Commission and City Council Housing and Planning Committee prior to City Council adoption of the Consolidated Plan. Further touchpoints will include regular reporting on progress and to seek feedback at major policy decision points.

NHCD will monitor the progress and the effectiveness of each activity in achieving the overall strategies, objectives, and priorities in the *Blueprint* and *Strategic Direction 2023*. NHCD will also provide an annual progress report following the annual end of year submission to HUD of the City's Consolidated Performance and Evaluation Report. The Annual Report will provide an accounting of the City's progress regarding each of the *Blueprint* goals shown in the table at the right.

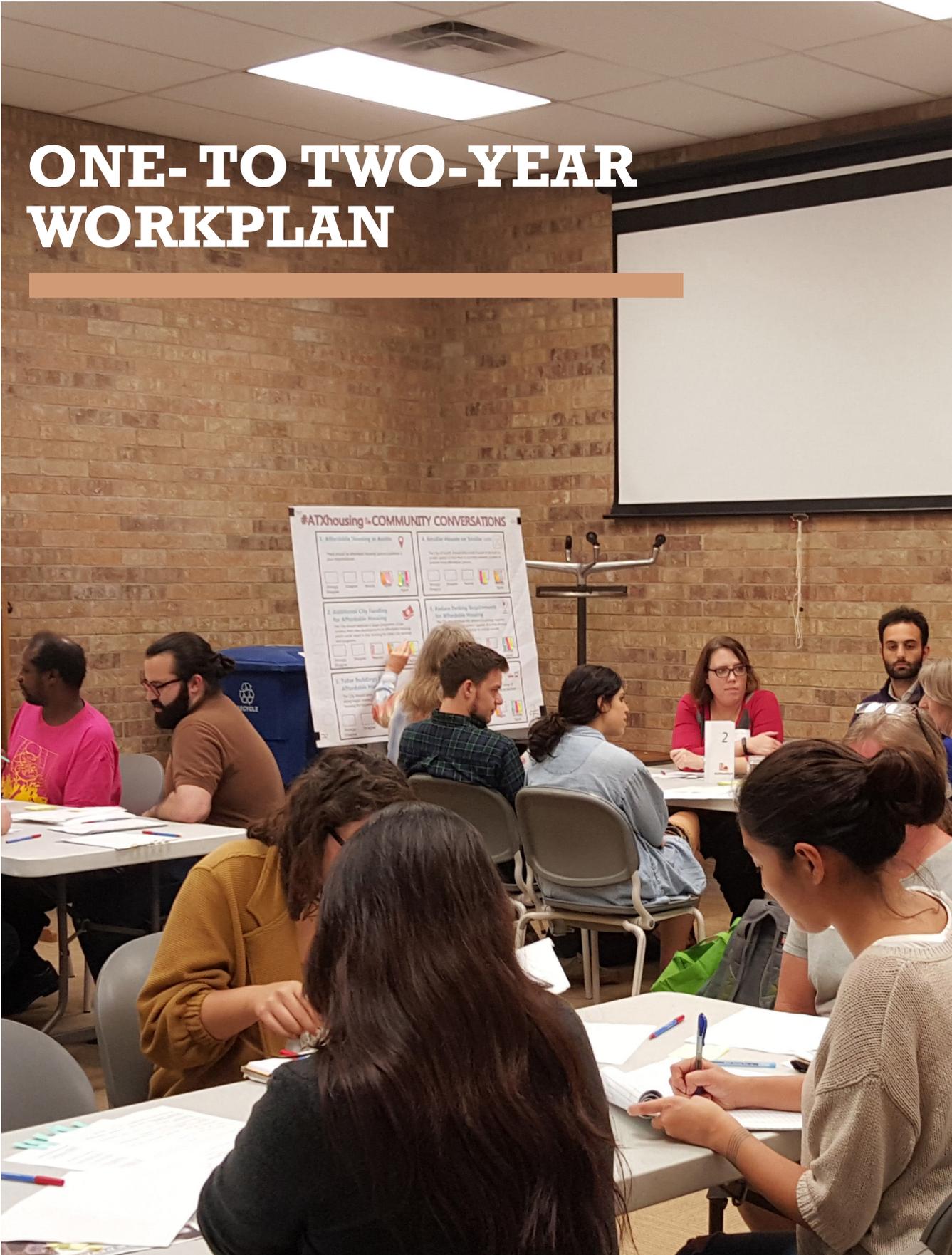
The annual report will be available online and in print, in both English and Spanish to promote transparency, and will be submitted to the Austin City Council through the City Manager, to the 2018 Bond Oversight Committee, the City of Austin's Community Development Commission (CDC), and the Housing Investment Review Committee (HIRC). The report will provide background information and progress toward achieving all *Blueprint* goals. This includes affordable housing goals by median family incomes, by geography (both council district and corridor goals), preservation goals, permanent supportive housing (PSH) goals, and community goals to: provide housing for all, create family friendly housing, to link housing with transportation and assist with home repair.

### SAMPLE BLUEPRINT ANNUAL REPORT

<i>Community Blueprint Goal</i>	<b>Progress Since Adoption</b>	<b>Progress This Year</b>
Create 20,000 affordable housing units at 30% MFI		
Create 25,000 affordable housing units at 31-60% MFI		
Create 15,000 affordable housing units at 61-80% MFI		
Create 25,000 affordable housing units at 81-120% MFI		
At least 75% of new housing units should be within 1/2 mile of Imagine Austin Centers & Corridors		
Preserve 10,000 affordable housing units over 10 years		
At least 25% of new income-restricted affordable housing should be in high opportunity areas		
At least 30% of new housing should be a range of housing types from small-lot single-family to eight-plexes to help address Austin’s need for multi-generational housing		
At least 10% of rental housing units that are affordable to households earning at or below 30% MFI		
At least 25% of ownership housing units that are affordable to households earning at or below 120% MFI		
<i>NHCD Blueprint Goal</i>	<b>Progress Since Adoption</b>	<b>Progress This Year</b>
Serve at least 20 people without a voucher and under 20% MFI each year in non-Permanent Supportive Housing (PSH)		
100% of ground floor units in new developments funded by NHCD will be adaptable and 25% of all affordable units will be accessible		
Support the production of 50 PSH units each year, with half of those being Housing First		
25% of affordable housing units that are created or preserved should have two or more bedrooms AND a system to provide opportunities for families with children		
25% of affordable housing created or preserved to be within 1/4 mile of high frequency transit (this is transit service that provides service every 15 minutes or better throughout most of the day, on weekdays and weekends)		
75% of affordable housing created or preserved within 3/4 mile of local, fixed-route transit service, ensuring Metro Access service for eligible persons with disabilities		
Assist 600 low-income households per year with home repair programs with the objective to help preserve existing housing stock		



# ONE- TO TWO-YEAR WORKPLAN



## ABOUT THE PROJECT

The Austin Strategic Housing Blueprint, adopted in 2017, provides a vision for the City of Austin to address the housing needs of existing Austin residents and households while also housing Austin's growing population. The Blueprint's purpose is to "align resources, ensure a unified strategic direction, and facilitate community partnerships to achieve a shared vision of housing affordability." Based on extensive community feedback and outreach, the Blueprint sets out five core "community values" that should guide the City's housing affordability strategy, together with individual strategies that contribute to achieving each recommendation. These community values are:

Community Value I: Prevent Households from Being Priced Out of Austin

Community Value II: Foster Equitable, Integrated, and Diverse Communities

Community Value III: Invest in Housing for Those Most in Need

Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin

Community Value V: Help Austinites Reduce Household Costs

To support these community values, the Blueprint establishes a number of geographic and numerical goals for housing preservation and production over the 10-year period between 2018 and 2027, including a need for 60,000 new or preserved housing units affordable to households earning 80% or less of the area's Median Family Income (MFI), and 75,000 additional housing units affordable to households earning 81% MFI and above. It also sets forth 63 total policy and program strategies that the City should seek to implement during the 10 years following adoption of the Blueprint.

Upon adoption of the Strategic Housing Blueprint, the City Council also adopted two resolutions directing the City Manager to develop further detail implementation steps required to achieve the vision embodied in the Blueprint: Council Resolutions 20170413-024 and 20170413-025.

Resolution 20170413-024 acknowledges that this is the first ever Housing Blueprint that will provide

the critically important foundation to meet Austin's housing needs. It also notes that "to articulate the vision and achieve success... it is necessary to have clear, specific steps, including identified resources necessary to achieve the specific goals." It directs the City Manager to develop an implementation plan for the Strategic Housing Blueprint that includes action steps, short-term priorities, a process and timeline for reporting to Council, resource needs, and sources of funding for recommendations. This workplan represents the first two years of actions identified through the implementation planning process. A full set of actions for the next 10 years is available in the Austin Strategic Housing Blueprint Resource Document.

Resolution 20170413-025 acknowledges that past corridor plans have been developed without affordable housing goals or strategies for preservation in place ahead of time, resulting in significant loss of existing affordable housing. Therefore, it specifically requests use of the Corridor Housing Preservation Tool developed by the University of Texas to "assess current conditions and set corridor-specific numeric goals for the creation and preservation of affordable housing for corridors throughout Austin, beginning with those corridors that will receive funding through the 2016 Mobility Bond."

The Blueprint, and its accompanying Resource Document, recognize that there is no single strategy that can bring the Blueprint's goals to fruition, and that the goals set by the Blueprint are intentionally ambitious. Ultimately, committing to the strategies and actions in the Blueprint in the short-term will help ensure that Austin remains a diverse, vibrant, and inclusive community for many years to come. This two-year workplan details the immediate recommendations and actions that the City will take in order to implement the objectives of the Blueprint.

## ABOUT THIS TWO YEAR WORKPLAN

Per Resolution 20170413-024, the plan develops a “detailed plan for the initial two years with a higher level plan for the remaining eight years.” As such, this workplan identifies and tracks recommended short-term actions that should take place in 2019 and 2020 if sufficient resources are available. This workplan does

not contain a comprehensive list of all objectives and actions in the Blueprint. The complete list of all short and long term actions are available in the Austin Strategic Housing Blueprint Resource Document in the Appendix to the Briefing Book. NHCD will update the short term work plan on a regular basis based on evaluations of success and available funding and resources.



## SHORT-TERM ACTIONS

Community Value	Objective	Action	Phasing
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.1: Expand the Use of Community Land Trusts and other forms of Shared Equity Ownership	Action I.1.A: Dedicate additional resources to shared equity ownership programs.	In Progress/Complete: Contract for CLT technical assistance  1-2 years: Devote resources in City budget
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.1: Expand the Use of Community Land Trusts and other forms of Shared Equity Ownership	Action I.1.B: Dedicate additional resources to shared equity ownership programs.	1-2 years: Adopt Land Development Code changes to cooperative developments
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.3: Support Legislation or other Mechanisms to Create a Preservation Property Tax Abatement	Action I.3.A: Dedicate additional resources to shared equity ownership programs.	1-2 years: Build partnerships with other taxing entities; establish initial NEZ areas and requirements; consider NEZ pilot and allot necessary funds in the 2019-2020 budget
Key: 1-2 years Long-term = 10 years * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Responsibility			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Issued in 2018-2019</p> <p>Resources devoted in 2018-2019</p> <p>Technical assistance contract executed</p>	<p>Public subsidy in the form of public land and direct subsidy dollars</p> <p>Education for prospective homebuyers and renters about the shared-equity model</p> <p>Additional dollars from local lending institutions</p>	<p><i>City Council</i> to allocate funding; <i>NHCD</i> to issue RFI; public agencies including City, AISD, Travis County, Capital Metro to provide land; national lenders and Community Development Financial Institutions to issue shared-equity mortgages</p>	<p>Where public land is available; prioritize sites in rapidly gentrifying areas of the City and high-opportunity areas</p>
<p>Adopt Land Development Code changes to separate cooperative developments from group homes and allow cooperative developments in all areas where multifamily development is allowed.</p> <p>See related actions I.1.A and IV.12.A for other success measures related to diversification of housing options in the Land Development Code.</p>	<p>See related actions I.1.A and IV.12.A.</p>	<p><i>City Council</i> to adopt Land Development Code changes</p>	<p>High-opportunity areas; areas of significant public investment such as the 2016 Mobility Bond Corridors; planned transit investments; and areas with high displacement risk.</p>
<p>Partnership agreement with counties established</p> <p>Pilot NEZ program and budget authorized in FY 2019-2020; program guidelines and monitoring standards established for pilot</p> <p>Results of pilot utilized to adjust eligibility parameters and calculate a target number of preservation units for an expanded NEZ program through 2027</p>	<p>Staff time; foregone revenue in the form of property tax abatements</p>	<p><i>NHCD</i> to define initial areas and program requirements; <i>Intergovernmental Relations</i> to coordinate with other taxing entities; Finance to maintain list of properties and coordinate with Travis County Appraisal District; <i>City Council</i> to allocate funding; Travis County, Texas Municipal League, HACA</p>	<p>Areas of high displacement risk; Should include multifamily developments as well as mobile home parks</p>
<p>ble Entity</p>			

Community Value	Objective	Action	Phasing
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.4: Prevent Displacement of Low- and Moderate-Income Homeowners and Renters	Action I.4.A: Assist 600 low-income households per year with home repair programs, with the objective to help preserve existing housing stock.	1-2 years and ongoing
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.4: Prevent Displacement of Low- and Moderate-Income Homeowners and Renters	Action I.4.B: Build on the success of existing repair and weatherization programs.	1-2 years and ongoing
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.5: Preserve and Create Ownership Options for Households at 80-120% MFI	Action I.5.B: Incorporate Land Development Code changes that encourage mid-density residential development.	1-2 years
Key: 1-2 years Long-term = 10 years * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Responsibility			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>1-2 years: Administer existing programs and assist at least 600 households per year in 2018 and 2019</p> <p>1-2 years: City to work with the Austin Home Repair Coalition to reevaluate existing programs and determine whether any changes are needed during the community engagement and writing process for the next Consolidated Plan, FY 2019-2023.</p> <p>Long-term: Administer programs embodied in the FY 2019-2023 Consolidated Plan, including continued collaboration through the Austin Home Repair Coalition</p>	<p>Funding for ongoing home repair programs; staff time</p>	<p><i>City Council</i> to craft housing bond request for voters; <i>NHCD</i> to craft NOFA each year for next 10 years; established home repair organizations, such as members of the Austin Home Repair Coalition, to implement</p>	<p>Focus on high displacement risk areas, as indicated by the Atlas of Existing and Future Conditions.</p>
<p>Evaluate and expand home repair programs as described in Action I.4.B.</p> <p>Yearly tracking of household eligibility for Austin Energy Weatherization Assistance to ensure it meets needs.</p> <p>Offer information about multifamily rebate program, and consider establishing participation requirements, for all multifamily properties involved in City affordability preservation efforts.</p>	<p>Expanded funding for home repair programs as described in Action I.4.B.</p> <p>Continued coordination with Austin Energy weatherization programs.</p>	<p><i>NHCD</i> (home repair); <i>Austin Energy</i> (weatherization); Austin Home Repair Coalition; Strike Fund</p>	<p>Programs are available to households anywhere in the Austin Energy service area (including the entire city of Austin) that meet eligibility requirements; many of these households are likely located in areas of high displacement risk, or disinvested areas.</p>
<p>Land development code changes that add additional capacity for mid-density residential units.</p>	<p>Staff time to alter and adopt appropriate code designations</p>	<p><i>PAZ</i>; <i>NHCD</i>; consultants; City Council</p>	<p>Appropriate transitional areas near transit corridors, and Imagine Austin centers and corridors</p>
<p>ble Entity</p>			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.6: Coordinate Preservation Strategies with Infrastructure Investments	Action I.6.A: Work with building owners early in the process to help preserve affordability of properties.	1-2 years: Use existing tools like the Affordable Central Texas Strike Fund along corridors included in the 2016 Mobility Bond Corridor Program.
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.7: Use Incentives to Support the Production of Living Wage Jobs	Action I.7.B: Increase coordination between relevant city departments to identify potential incentives for the creation of more living wage jobs.	Completed
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.8: Make Strategic Investments to Minimize Displacement	Action I.8.A: Make robust investments in new development and affordable housing preservation, as well as coordinating targeted investments in economic development, transit, and education.	1-2 years and ongoing
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.8: Make Strategic Investments to Minimize Displacement	Action I.8.B: Track which income-restricted units are set to expire in a given year, and target these units with strategies like the Strike Fund, Community Land Trust, and others to help extend the affordability periods.	1-2 years: Update Resolution Trust Corporation information and continue to build and maintain comprehensive inventory of affordable units, including expiration dates of income restrictions; share available information on expiring properties with Affordable Central Texas and shared-equity organizations.
Key: 1-2 years Long-term = 10 years * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Responsibility			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>10,000 units at 60%-120% MFI preserved through the Affordable Housing Conservancy over 10 years (see Objective II.1)</p> <p>2,000 units preserved through the Preservation Property Tax Abatement over 10 years (see Action 1.3.A)</p>	<p>Redirection of tax revenues through TIF; Strike Fund additional funding for 9,000 more units over 10 years; Forgone tax revenue on incremental value through Preservation Property Tax Abatement</p>	<p><i>NHCD</i> (coordinate establishment of TIF and NEZ/Preservation Property Tax Abatement districts); Affordable Central Texas (Strike Fund); Finance Department (TIF/Preservation Property Tax Abatement), Travis Central Appraisal District</p>	<p>Along corridors funded by the 2016 Mobility Bond and other areas of investment</p>
<p>Adoption of final Economic Development Policy by Council</p>	<p>Ongoing resources needed to implement the Economic Development Policy</p>	<p><i>EDD; SMBR</i>; Chamber of Commerce, City Council, Mayor, ACC, Workforce Agencies</p>	<p>N/A</p>
<p>Ongoing meetings of the Housing-Transit-Jobs Action Team</p> <p>Adoption of the Strategic Housing Blueprint Implementation strategy, which includes interrelated objectives and actions</p>	<p>Resources noted throughout the SHBI strategy</p>	<p><i>NHCD; EDD</i>; Capital Metro; ATD; PAZ; City Council</p>	<p>Imagine Austin centers and corridors; high-frequency transit corridors; job centers; high displacement risk areas</p>
<p>Comprehensive inventory created and maintained</p> <p>Preserve a minimum of 10,000 expiring affordable units over 10 years</p>	<p>Staff time; funding and incentives for preservation</p>	<p><i>NHCD</i>; Affordable Central Texas; shared-equity organizations and affordable housing providers; AFD</p>	<p>High displacement risk areas</p>
<p>Responsible Entity</p>			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.8: Make Strategic Investments to Minimize Displacement	Action I.8.C: Engage Communities of Color participation in NHCD's affordable housing investment and displacement mitigation activities	1-2 years; ongoing
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.9: Allow Homeowners to Rent a Portion of their House as a Separate Housing Unit	Action I.9.A: Pursue code changes to allow homeowners to convert existing interior residential space into accessory dwelling units they could rent out to help them afford to stay in place	1-2 years
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.10: Prevent Displacement of Low- and Moderate-Income Renters	Action I.10.A: Incorporate robust tenant protections for all rental properties receiving financial support from the City of Austin/Austin Housing Finance Corporation	1-2 years
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.10: Prevent Displacement of Low- and Moderate-Income Renters	Action 1.10.B: Recalibrate, streamline & expand density bonus programs to serve renters at or below 60% below median family income (MFI)	1-2 years
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.10: Prevent Displacement of Low- and Moderate-Income Renters	Action I.10.C : Support tenant organizing and engagement and provide legal and other assistance to tenants facing eviction or displacement	1-2 years
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.10: Prevent Displacement of Low- and Moderate-Income Renters	Action I.10. D: Provide tenant relocation assistance and emergency rental assistance	1-2 years
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I. 11: Pursue a Preference Policy	Action I.11. A: Preference policy to prioritize new City-subsidized affordable units for income-qualified households that are appropriately sized to the unit and/or have generational ties to the city	1-2 years

Key: 1-2 years Long-term = 10 years \* = Priority Objective, from the Strategic Housing Blueprint *Italic* = Lead Responsibility

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
Minorities feel more engaged in process	Staff Time	NHCD	N/A
Adopt Land Development Code and building code changes as necessary  Evaluate creation of a loan or grant program for low-income homeowners	Staff time; potential loan or grant dollars	NHCD, DSD, AFD	N/A
Increase in percent of tenants protected by tenant protections	Staff time	NHCD	N/A
Increased area eligible for density bonus program	Staff time and revisions to land code. Funding for economic modeling of bonus calibrations to ensure feasibility.	NHCD	N/A
Increase in percent of tenants receiving eviction prevention assistance	Funding for a contract or program to provide assistance to tenants. Staff time.	NHCD	N/A
Increase in tenants assisted with tenant relocation and rental assistance	Staff time	NHCD	N/A
Preference policy implemented for income-restricted affordable units subsidized by the City/AHFC	Staff time	LAW; NHCD	N/A
ble Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective II. 12: Improve access to affordable housing information for communities vulnerable to displacement	Action I.12.A: Streamline the application process for affordable units	1-2 years
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective II. 12: Improve access to affordable housing information for communities vulnerable to displacement	Action I.12.B: Market NHCD-subsidized affordable units to people of color in gentrifying areas	1-2 years
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective II. 12: Improve access to affordable housing information for communities vulnerable to displacement	Action I.12.C: Engage directly with communities vulnerable to displacement to connect them with services	1-2 years
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.1: Develop a Strike Fund	Action II.1.A: Design a sustainable economic model for the fund to include: a determination of a fund structure, a framework for the housing portfolio, and options for seeding the fund	Complete
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.1: Develop a Strike Fund	Action II.1.B: Facilitate community partnerships to strategically acquire, renovate, and manage existing multifamily buildings to make them affordable long term	1-2 years: Continue to coordinate with ACT regarding strategies for repurposing publicly-owned property and LIHTC properties on which the City has right of first refusal
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.2: Implement the City of Austin's Fair Housing Action Plan and Bolster Enforcement of Existing Fair Housing Requirements	Action II.2.A: Implement the Fair Housing Action Plan	1-2 years ongoing

Key: 1-2 years Long-term = 10 years \* = Priority Objective, from the Strategic Housing Blueprint *Italic* = Lead Responsibility

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
New portal developed	Staff time; funding for improvements to portal.	NHCD	N/A
Improvements to City's affordable housing search tool.  Increased number of subsidized units in gentrifying areas marketed to people of color	Staff time; funding for updates to search tool for affordable units	NHCD; CTM	N/A
Increase in services used by low income residents and people of color	Staff time; funding for outreach	NHCD; Innovation Office	1-2 years: Montopolis; Long-Term: citywide
Complete	N/A	<i>Affordable Central Texas</i>	Near transit, proximate to grocers, schools, jobs, and healthcare services.
AHC to meet full preservation goal of 10,000 housing units in 10 years	<p>\$500 million in investment</p> <p>Subsidy in the form of discounted public land or tax abatements</p> <p>Reduced permitting timelines and costs</p>	<p><i>Affordable Central Texas</i> to lead preservation; <i>NHCD</i> to lead discussions on City collaboration; ORES; ACD; AFD</p>	<p>Areas of high displacement risk; 2016 Mobility Bond Corridors; high-frequency transit corridors</p>
Complete analysis of updated impediments to Fair Housing and Fair Housing Action Plan in 2019; Begin implementation	<p>Funding for matched pair testing, enhanced park access and park development; potential funding for landlord incentives under good landlord program; staff time to create fair housing training and develop fair housing component of AHIS.</p>	<p>EE/FHO; NHCD; ACD; DSD; ALD; AFD; AEO; PARD</p>	N/A
ble Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.2: Implement the City of Austin’s Fair Housing Action Plan and Bolster Enforcement of Existing Fair Housing Requirements	Action II.2.B: Require all publicly funded units and projects to comply with Fair Housing rules, Section 504 of the 1973 Rehabilitation Act, and the City’s visitability requirements.	In Progress/Complete
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.3: Undertake Strategic Land Banking	Action II.3.A: Strategically acquire and hold land in underdeveloped activity centers and corridors, making it available to private or non-profit developers for the construction of affordable housing as these areas develop.	Complete: Issue housing bond or other general obligation bonds that can support land banking efforts, assuming voter approval can be secured.  Complete: Develop land banking strategy.  1-2 years: Begin acquiring properties consistent with land banking strategy. As one stakeholder noted, “Land is always getting more expensive” -- so beginning to acquire properties soon is advisable.
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.4: Implement Tenant Relocation Assistance Program	Action II.4.A: Identify funding for Tenant Relocation Assistance Program	1-2 years: Complete Tenant Relocation Fee Nexus Study and adopt recommendations; Establish fund for tenant relocation
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.4: Implement Tenant Relocation Assistance Program	Action II.4.B: Tailor program to provide education and tenant assistance to vulnerable populations, particularly those with language or other barriers.	1-2 years
Key: 1-2 years Long-term = 10 years * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Responsi			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
Establish consistent fair housing, Section 504, and visitability compliance requirements for all projects that receive regulatory and/or financial incentives from the City	Staff time to establish requirements; potential additional staff positions to enforce compliance	EE/FHO; DSD; Austin Tenants' Council; Federal enforcement	N/A
Approval of bond funding or other financing by 2019  Completion of land banking strategy by 2019  First properties acquired by 2020	Proposed affordable housing general obligation bond; Staff time and potential consultant hire to develop land banking strategy; Staff time and potential consultant hire to form quasi-governmental redevelopment agency	ORES, City Council, NHCD, EDD, CPO, AHFC, local real estate brokers	High displacement-risk areas; underdeveloped land; areas proximate to Imagine Austin centers and corridors; areas near current and future transit service
Complete Tenant Relocation Fee Nexus study  Establish enforcement system in collaboration with EE/FHO that allows for tracking of landlords who are repeat violators	Fees or other funding; additional staffing for enforcement of complaints	NHCD and consultants to complete study; DSD; PAZ; EE/FHO to enforce and investigate complaints	N/A
Collaboration with tenants' advocates to produce information about the program, available in multiple languages and to residents with other barriers	Staff time; support from community partners	Austin Tenants Council, Legal Aid, BASTA, NHCD	N/A

Responsible Entity

Community Value	Objective	Action	Phasing
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.6: Implement Recommendations in the Texas Criminal Background Screening Guide and Template for Rental Housing Providers	Action II.6.A: Review and revise policies for recipients of city funding to ensure the policies distinguish between criminal conduct that indicates a demonstrable risk to resident and property safety, and criminal conduct that does not, and that there is an individualized further review built into the admissions policies.	Complete
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.8: Fully Utilize Homestead Preservation District Tools	Action II.8.A: Establish Homestead Preservation Reinvestment Zones or Tax Increment Financing Districts (TIRZs) to reinvest some portions of property tax dollars from economic development into affordability.	1-2 years
Community Value III: Invest in Housing for Those Most in Need	Objective III.1: Pursue Future General Obligation Bond Elections for Affordable Housing	Action III.1.A: Seek new voter-approved General Obligation Bonds to build and preserve thousands of quality affordable homes.	Complete
Key: 1-2 years Long-term = 10 years * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Responsibility			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Establish consistent criminal background screening policies for all projects that receive city funding or incentives, and much shorter (or no) look back periods for convictions that do not indicate a demonstrable risk to resident and property safety.</p> <p>Establish a policy that no project receiving City funding or incentives will consider arrest records alone as a reason to reject a lease application.</p>	<p>NHCD and EE/FHO staff time to create policies; Law staff time to review policies; City Council to adopt policies; Additional staffing for EE/FHO to follow up on policy violations</p>	<p>EE/FHO; NHCD; Law</p>	<p>N/A</p>
<p>1-2 years: Modify TIF policy</p> <p>Long-term: Establish new TIF districts that dedicate a portion of revenue to affordable housing</p>	<p>Staff time; percentage of incremental property tax increases generated within TIF districts</p>	<p>City Council; AFD; NHCD</p>	<p>Areas of rapid property appreciation (70% or more commercial property) that incorporate planned infrastructure investments</p>
<p>New affordable housing GO bond passed in 2018</p>	<p>Philanthropic resources and housing advocates' time dedicated to a campaign for approval of the proposed GO bond dedicated to housing</p> <p>Additional staff capacity to deploy units and monitor new and existing units to ensure that affordability is maintained</p> <p>Developer capacity to utilize bond funds to develop units</p>	<p>Philanthropic community; Austin Housing Coalition and other housing advocates; City Council; voters</p>	<p>Achieve geographic Blueprint goals for housing production and preservation in high-opportunity areas, gentrifying areas, areas near high-frequency transit, and Imagine Austin centers and corridors</p>

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<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value III: Invest in Housing for Those Most in Need	Objective III.3: Leverage Low Income Housing Tax Credits and Seek Legislative Changes	Action III.3.A: Bring additional competitive 9% tax credits and non-competitive 4% credits to the City of Austin.	1-2 years
Community Value III: Invest in Housing for Those Most in Need	Objective III.3: Leverage Low Income Housing Tax Credits and Seek Legislative Changes	Action III.3.B: Strategically prioritize applications based on community priorities	Complete
Community Value III: Invest in Housing for Those Most in Need	Objective III.4: Challenge the Private Sector to Participate in a Fund for Affordable and/or Workforce Housing	Action III.4.B: Explore partnering with major local employers and institutions to collaborate on innovative co-developments or social investment platforms.	1-2 years (study and explore); long-term (implement strategies)
Community Value III: Invest in Housing for Those Most in Need	Objective III.5: Maximize Public Property to Build or Include Affordable Housing	Action III.5.A: Implement the S.M.A.R.T. Housing ordinance directive that makes affordable housing a priority use for all surplus City properties.	1-2 years

Key: 1-2 years Long-term = 10 years \* = Priority Objective, from the Strategic Housing Blueprint *Italic* = Lead Responsibility

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Lower 1.7 million population threshold to 1.2 million in the Texas Government Code and in future QAPs</p> <p>Maintain or increase total amount of LIHTC funding secured by developments within the City each year</p>	<p>Staff time; partnerships with Travis County and housing advocates</p>	<p><i>JGR</i>; NHCD; Austin Housing Coalition; TDHCA</p>	<p>N/A</p>
<p>Coordinate City priorities with QAP priorities each year</p> <p>Advocate for QAP changes each year as needed to meet Blueprint goals</p> <p>Utilize Housing Development Assistance Program scoring criteria to determine which projects should receive City support</p>	<p>Staff time; funding for purchase of data</p>	<p><i>NHCD</i>; <i>City Council</i>; TDHCA</p>	<p>Citywide, with a focus on priority geographies indicated in the Blueprint (high-opportunity areas, high-frequency transit proximity areas, Imagine Austin centers and corridors, gentrifying areas)</p>
<p>NHCD, Economic Development, and Chamber of Commerce to present findings to City Council</p>	<p>Staff time; private resources and administrative time during implementation phase</p>	<p><i>NHCD</i>, EDD, Chamber of Commerce</p>	<p>N/A</p>
<p>Continue to implement City-owned property disposition framework that includes affordable housing as a priority use and incorporates AHFC's right of first refusal for surplus property</p> <p>Monitor final value of discount as subsidy for affordable development</p> <p>Monitor "but-for" case: units created that would not have been created but for the use of subsidized public land</p> <p>Monitor number of units created in high-opportunity areas, areas in proximity to high-frequency transit, and Imagine Austin centers and corridors specifically</p>	<p>Staff time</p>	<p><i>AHFC</i>; <i>Office of Real Estate Services</i>; Economic Development; Finance; City Council</p>	<p>N/A</p>

ble Entity

Community Value	Objective	Action	Phasing
Community Value III: Invest in Housing for Those Most in Need	Objective III.5: Maximize Public Property to Build or Include Affordable Housing	Action III.5.B: Develop proposals, bids and partnerships with other public entities who have underutilized land.	1-2 years
Community Value III: Invest in Housing for Those Most in Need	Objective III.5: Maximize Public Property to Build or Include Affordable Housing	Action III.5.D: Purchase State-owned lands as they come up for sale.	1-2 years: Develop inventory of strategic State-owned properties
Community Value III: Invest in Housing for Those Most in Need	Objective III.6: Utilize TIFs for Affordable Housing	Action III.6.A: Create a responsible and effective TIF program.	<p>1-2 years: Create a TIF strategy that:</p> <p>Recommends potential locations for new TIFs given major upcoming public infrastructure investments and development opportunities.</p> <p>Considers and finalizes a recommendation to raise the cap for total citywide appraised value included in TIFs to be more consistent with other Texas cities.</p> <p>Considers and finalizes a recommendation to dedicate a minimum percentage of revenue to affordable housing in all new TIFs. This Strategic Housing Blueprint Implementation study recommends that all new TIFs include at least 25% of revenue dedicated to affordable housing.</p>
<p>Key: 1-2 years   Long-term = 10 years   * = Priority Objective, from the Strategic Housing Blueprint   <i>Italic</i> = Lead Responsibility</p>			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>1-2 years: Inventory of publicly-owned land completed; multi-agency adopted vision for use of public properties completed</p> <p>Long-term: Implement multi-agency vision; adopt policies such as rights of first refusal for affordable housing departments and agencies</p>	<p>Staff time; funding to facilitate acquisition of publicly-owned properties</p>	<p>CAPCOG; NHCD; Capital Metro; Travis County; State of Texas; City of Austin/AISD Board of Trustees/Travis County Commissioners Court Joint Committee; other regional partners</p>	<p>N/A</p>
<p>Property inventory of desired State properties developed.</p> <p>If funding and suitable properties are available, one to five properties purchased over the next 10 years.</p>	<p>Staff time; GO bond or other funding to purchase properties</p>	<p>NHCD; Office of Real Estate Services</p>	<p>Purchase in high-opportunity areas for near-term development; purchase in areas of high or growing displacement risk to preserve affordability; purchase for land banking in areas of low market pressure that will see future transit or infrastructure investments</p>
<p>TIF strategy completed by 2020</p> <p>All new TIF districts after 2020 to include at least 25% of revenue dedicated to affordable housing</p>	<p>Staff time and potential consultant to complete TIF strategy; dedicated incremental TIF revenues</p>	<p>NHCD; AFD; ALD; PAZ; CPO; City Council</p>	<p>Areas of high displacement risk; areas near major public investments</p>
<p>ble Entity</p>			

Community Value	Objective	Action	Phasing
Community Value III: Invest in Housing for Those Most in Need	Objective III.7: Utilize Social Impact Bonds/Pay for Success Models for People Experiencing Homelessness	Action III.7.A: A coalition of community partners will implement pilot projects targeting people experiencing homelessness who are also frequent users of the criminal justice and emergency medical systems, through Permanent Supportive Housing and other supportive services.	Underway as of 2018
Community Value III: Invest in Housing for Those Most in Need	Objective III.9: Support the Creation of Deeply Affordable Units Serving People at 20% and 30% MFI and Below	Action III.9.A: Focus resources and funding on housing that is affordable to this income bracket (20% and 30% MFI).	1-2 years and ongoing
Community Value III: Invest in Housing for Those Most in Need	Objective III.10: Support Efforts to Prevent and End Homelessness	Action III.10.A: Continue to expand the inventory of units with lower screening criteria regarding sobriety, criminal history, credit history, or other behaviors generally held to indicate a lack of "housing readiness."	1-2 years and ongoing
Community Value III: Invest in Housing for Those Most in Need	Objective III.10: Support Efforts to Prevent and End Homelessness	Action III.10.B: Work with private landlords to accept chronically homeless residents.	1-2 years
Key: 1-2 years Long-term = 10 years * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Responsibility			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>ECHO executes the Pay for Success contract with all parties: City, County, Central Health, CCC, Episcopal Health Foundation and private funders</p> <p>ECHO reports learnings from initial pilot phase</p> <p>ECHO and Social Finance successfully raise the private capital needed to fund the project</p> <p>80 clients are housed within first 12 months of the project.</p>	<p>Additional investment to support ongoing services and rents</p>	<p><i>ECHO</i>, City of Austin, Travis County, Central Health</p>	<p>N/A</p>
<p>Service at least 20 people without a voucher and under 20% MFI each year in non permanent supportive housing</p> <p>RHDA scoring criteria to awards extra points for housing available to households at or below 30% MFI</p>	<p>Extensive public-sector and philanthropic funding; partnerships with local and national high-capacity non-profits; discounted publicly-owned land; transit vouchers for residents</p> <p>Funding for additional 20,000 units at 0-30% MFI, as specified in Blueprint</p>	<p><i>NHCD</i>, philanthropic institutions, non-profits, Capital Metro</p>	<p>Within ¼ mile of high-frequency transit corridors</p>
<p>Voter approval of GO Bond funding to support additional investment in permanent supportive housing</p> <p>100 permanent supportive housing units, including 50 Housing First units, produced each year</p> <p>Ensure reasonable look-back requirements</p> <p>Examine and alter credit requirements for publicly-supported properties if needed</p>	<p>Staff time; GO Bond funding and other sources of funding</p> <p>Funding for at least 100 units of permanent supportive housing per year, as specified in Blueprint</p>	<p><i>City Council</i>, voters, <i>ECHO</i>, <i>NHCD</i>, Affordable housing developers and providers; <i>APH</i>; Social service providers; Leadership Committee on PSH Finance</p>	<p>Add PSH units near services such as libraries, grocery stores and social service providers, and near high-frequency transit routes</p>
<p>Increased placement of people exiting homelessness in private-market apartments; improved long-term housing stability; ongoing landlord education</p>	<p>Funding for placement support</p>	<p><i>NHCD</i>, Market developers and small-scale landlords, Austin Apartment Association</p>	<p>N/A</p>

ble Entity

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value III: Invest in Housing for Those Most in Need	Objective III.11: Focus Federal Funds in Housing Investments	Action III.11.A: Target current and future federal funding for housing needs.	1-2 years and ongoing
Community Value III: Invest in Housing for Those Most in Need	Objective III.13: Expand the Supply of Housing for People with Disabilities	Action III.13.A: Create 20,000 housing units affordable to people making at or below 30% MFI.	1-2 years and ongoing

Key: 1-2 years   Long-term = 10 years   \* = Priority Objective, from the Strategic Housing Blueprint   *Italic* = Lead Responsibility

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
Dedicate 75% or more of CDBG dollars to affordable housing each year.	CDBG funds; staff time	<i>City Council</i> , NHCD, EDD, regional partners, other City departments currently using CDBG funds	Citywide; potentially regional
20,000 additional housing units will be affordable to households at or below 30% MFI by 2027.	<p>For new construction: Wide array of funding sources including GO Bond funds, ESG funds, formula housing grant funds, philanthropic funds, Pay For Success funds (see Action III.7.A), National Housing Trust Fund dollars (see Action III.8.A); staff time; community development corporations; homeless service providers</p> <p>For home repair: Coordinate home repair programs in Action I.4.B to serve this population</p>	NHCD; ECHO; community development corporations; philanthropy; homeless service providers; home repair providers	New construction should focus near high-frequency transit, job centers, and supportive and public services
ble Entity			

Community Value	Objective	Action	Phasing
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.1: Adopt Affordable Housing Goals to Guide Policy*	<p>Action IV.1.A: At least 25% of new income-restricted affordable housing should be in high opportunity areas.</p> <p>Action IV.1.B: 25% of affordable housing created or preserved to be within ¼ mile of high-frequency transit (this is transit service that provides service every 15 minutes or better throughout most of the day, on weekdays and weekends).</p> <p>Action IV.1.C: At least 75% of new housing units should be within 1/2 mile of Imagine Austin Centers and Corridors.</p>	1-2 years
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.2: Implement Consistent Density Bonus Programs for Centers and Corridors*	Action IV.2.A: Implement a consistent density bonus program for Imagine Austin Centers and Corridors where larger buildings are deemed acceptable.	1-2 years: Adopt Land Development Code changes that include a citywide density bonus program that is contextualized to promote dense development along appropriate corridors and within Imagine Austin Centers
<p>Key: 1-2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint    <i>Italic</i> = Lead Responsibility</p>			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
Housing unit goals achieved	Housing bond. Not all resources needed for implementation are covered in this report. According to the Strategic Housing Blueprint, \$6.48 billion is needed to implement the plan.	NHCD, City Council	N/A
<p>Economic modeling of proposed density bonus programs completed by 2020</p> <p>Implementation of Land Development Code changes by 2021</p> <p>Significant increase over currently projected production of affordable housing units for households at or below 60% MFI for rental and at or below 80% MFI for ownership through density bonus programs over the next 10 years</p> <p>Ongoing coordination with affordable housing providers to ensure opportunities exist for production</p>	Allocated funding for consultant assistance in modeling; PAZ, DSD, NHCD staff time	<i>City Council</i> to allocate resources for consultant; PAZ, NHCD, DSD to devote staff time; Austin Housing Coalition; for-profit developers	Existing density bonus areas; high-opportunity areas; high-frequency transit corridors; 2016 Mobility Bond Corridors; Imagine Austin centers and corridors
ble Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.2: Implement Consistent Density Bonus Programs for Centers and Corridors*	Action IV.2.B: Incentivize and provide additional opportunities for housing units with two bedrooms or more, particularly in high opportunity areas.	Complete
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.4: Provide Additional Funding to Monitor Austin's Affordable Housing Investments*	Action IV.4.A: Hire third-party vendors to assist in performing physical inspections for a subset of the portfolio.	1-2 years
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.4: Provide Additional Funding to Monitor Austin's Affordable Housing Investments*	Action IV.4.B: Address monitoring requirements with appropriate NHCD staffing levels and elevate staffing needs as required.	1-2 years and ongoing
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.5: Better Utilize Land for Affordable Housing	Action IV.5.A: Continue to offer density bonuses as well as reduced parking and lot width and setback requirements for developments that include a significant number or percentage of units that are required to be affordable to very low-, low- or moderate-income households for at minimum 40 years	1-2 years
Key: 1-2 years Long-term = 10 years * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Responsibility			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>1-2 years: Add bedroom count tracking to the AMANDA system and monitor number of 2+ BR affordable units created</p> <p>Long-term: Use a density bonus program adopted through Land Development Code changes to incentivize the production of two- and three-bedroom affordable units</p>	<p>Staff time including DSD dedicated affordable housing facilitation staff</p>	<p><i>DSD</i> to add bedroom sizes for affordable and market-rate units to AMANDA. <i>PAZ</i> to lead Land Development Code change process that will incorporate density bonus requirements as proposed in Action IV.2.A</p>	<p>N/A</p>
<p>Funding allocated to hire third-party vendors by 2019</p> <p>A greater percentage of the City's affordable units are inspected annually.</p>	<p>Funding for third-party vendors; NHCD staff time</p>	<p><i>City Council</i> to allocate funding; NHCD to issue annual solicitations for services and supervise vendors</p>	<p>N/A</p>
<p>Annual review of staffing requirements submitted to City Council prior to budget allocations</p> <p>Reporting requirements enforced for entire affordable inventory each year</p>	<p>Funding for adequate NHCD staff levels; NHCD staff time</p>	<p><i>City Council</i> to allocate funding; NHCD to monitor</p>	<p>N/A</p>
<p>Measurable increase in usable site area and projected unit yields for projects incorporating affordable units within city code</p>	<p>Staff time</p>	<p><i>PAZ</i>; NHCD; CPO</p>	<p>Urban core; Imagine Austin centers and corridors; high-opportunity areas; areas within ¼ mile of high-frequency transit</p>
<p>ble Entity</p>			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.6: Revise S.M.A.R.T. Housing Program	Action IV.6.A: Revise the S.M.A.R.T. Housing Program to lengthen the affordability period and to better balance developer benefits with unit construction	1-2 years
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.7: Implement Density Bonus Program for Missing Middle Housing	Action IV.7.A: Implement consistent density bonus programs for centers and corridors	1-2 years: Revise the Land Development Code to create density bonus programs including smaller units and/or increased subdivision options for developments that incorporate affordable units
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.7: Implement Density Bonus Program for Missing Middle Housing	Action IV.7.B: Implement density bonus program for missing middle housing	1-2 years
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.8: Allow the Development of Smaller Houses on Smaller Lots	Action IV.8.A: Consider land development code changes that make it easier to build smaller houses on smaller lots.	1-2 years
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.10: Relax Regulations on Internal and External Accessory Dwelling Units	Action IV.10.A: Reduce restrictions in more parts of Austin to allow internal and external ADUs to be built	1-2 years
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.11: Relax Regulations on More Affordable Housing Products	Action IV.11.A: Expand availability of micro-units.	1-2 years
Key: 1-2 years Long-term = 10 years * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Responsibility			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Land Development Code changes to lengthen affordability requirements for S.M.A.R.T. Housing</p> <p>DSD/NHCD funded to implement S.M.A.R.T. Housing review teams</p> <p>S.M.A.R.T. Housing projects benefit from increased development entitlements, fee waivers, and reduced parkland dedications as appropriate</p>	<p>Increased DSD staff for reduced review times (see Action IV.3.A), development fee revenues to offset fee waivers, staff time to make code changes</p>	<p><i>City Council</i> to allocate resources and request code changes; DSD to administer rapid S.M.A.R.T. Housing review; NHCD to assist in funding and coordination as needed</p>	<p>N/A</p>
<p>Land Development Code revisions implemented</p>	<p>Staff time</p>	<p>NHCD, PAZ, DSD</p>	<p>N/A</p>
<p>Land Development Code Revisions implemented</p>	<p>Staff time</p>	<p>NHCD, PAZ, DSD</p>	<p>N/A</p>
<p>Adopt Land Development Code changes to reduce minimum lot sizes for single-family neighborhoods, enable duplex development, and eliminate provisions that make dense historic neighborhoods nonconforming</p>	<p>N/A</p>	<p><i>City Council</i>; PAZ</p>	<p>N/A</p>
<p>Adopt Land Development Code changes that increase potential for ADU development</p>	<p>Staff time; Council and Commission time</p>	<p><i>City Council</i>; PAZ; NHCD</p>	<p>Urban core; transition zones; single-family neighborhoods; high-opportunity neighborhoods</p>
<p>Adopt Land Development Code changes that increase the areas zoned for mid-density and ADU development</p>	<p>Staff time</p>	<p>PAZ; <i>City Council</i>; NHCD</p>	<p>High-opportunity areas; single-family neighborhoods; areas within ¼ mile of high-frequency transit; Imagine Austin centers and corridors</p>

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<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.12: Relax Regulations on Housing Cooperatives	Action IV.12.A: Reduce barriers to cooperative development by providing a specific zoning designation for cooperatives	1-2 years
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.18: Develop Real-Time Database of Affordable Housing	Action IV.18.A: Maintain and enhance housing database; acquire ongoing funding for staff and administration	1-2 years
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.19: Support Local Non-Profit Entities to Expand Affordable Housing Production	Action IV.19.A: Support Capacity Building for Community Development Corporations	1-2 years
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.1: Strengthen Scoring Criteria and Develop Policies for Housing Near Current/Future Transit Service	Action V.1.A: Utilize RHDA for developments of all sizes, even those too small to participate in the Low-Income Housing Tax Credit program	Complete
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.1: Strengthen Scoring Criteria and Develop Policies for Housing Near Current/Future Transit Service	Action V.1.B: Amend scoring criteria and other policies to prioritize a greater percentage of assistance in areas currently serviced by public transportation	1-2 years

Key: 1-2 years Long-term = 10 years \* = Priority Objective, from the Strategic Housing Blueprint *Italic* = Lead Responsibility

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Adopt land development code changes to separate cooperatives developments from group homes and allow cooperative developments in all areas where multifamily development is allowed.</p> <p>Grow opportunities for multi-family and mid-density development throughout the city through Land Development Code changes.</p> <p>Promote limited-equity cooperatives that offer affordable housing opportunities by making these developments eligible for density bonus programs and re-invigorating the S.M.A.R.T. Housing program</p>	<p>Staff time</p>	<p>PAZ; City Council; NHCD</p>	<p>Areas that allow dense and mid-density development, including Imagine Austin centers and corridors, transit corridors, and transition zones</p>
<p>Comprehensive database that covers the City’s entire portfolio of affordable housing and monitors key Blueprint metrics</p>	<p>Staff time; potential funding for new staff and ongoing administration of affordable housing</p>	<p>NHCD</p>	<p>N/A</p>
<p>Release of a request for proposals for capacity building grants to Community Development Corporations.</p> <p>Increased capacity building funding available to community development corporations to create affordable housing</p>	<p>Staff time; funding for capacity building grants</p>	<p>NHCD</p>	<p>N/A</p>
<p>Increasing number of mid-density housing units funded through RHDA over time</p>	<p>Work on scoring criteria to improve transit access as criteria</p>	<p>NHCD</p>	<p>N/A</p>
<p>1-2 years: Finalize RHDA scoring criteria to meet District goals, and housing near transit</p> <p>Success measures also in Actions I.5.B, IV.2.A,IV.3.A,V.4.B</p>	<p>Staff time; new staffing resources for S.M.A.R.T. Housing rapid review</p>	<p>DSD; NHCD; City Council; CapMETRO; ATD</p>	<p>Within ¼ mile of high-frequency transit corridors as described in Connections 2025 and Austin Strategic Mobility Plan</p>

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<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.2: Minimize the Displacement of Core Transit Riders	Action V.2.A: Encourage the preservation of affordable housing near transit corridors.	1-2 years; Ongoing
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.3: Link Housing Choices with Transportation Choices	Action V.3.A: Support Land Development Code changes that amend regulations and entitlements to ensure density is supported around transit stations.	1-2 years
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.3: Link Housing Choices with Transportation Choices	Action V.3.B: Support Land Development Code changes that utilize tools such as density bonuses and parking reductions when income-restricted affordable housing is provided in and around transit corridors.	1-2 years
Key: 1-2 years Long-term = 10 years * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Responsibility			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>1-2 years: Coordination with Affordable Central Texas; creation of a plan for City direct preservation initiatives and incentive packages for preservation of affordable properties near transit corridors</p> <p>Long-term: Meet goal of 25% of affordable units produced and/or preserved by City of Austin within ¼ mile of high-frequency transit</p>	<p>Dedication of dollars through tax-increment financing districts, GO bonds, or other available sources; foregone taxes and revenues through Preservation Property Tax Abatement and fee waivers; home repair dollars; Austin Energy resources through Customer Assistance Program, weatherization programs, and multifamily programs; potential resources dedicated to low-interest financing fund</p>	<p>NHCD, Affordable Central Texas, AFD, EDD, AW, AE, CPO, Capital Metro</p>	<p>Within ¼ mile of high-frequency transit corridors</p>
<p>Adopt Land Development Code changes to create transition zones as stated in recommendation</p>	<p>Staff time</p>	<p>PAZ; City Council; ATD; NHCD</p>	<p>High-frequency transit corridors and nodes served by transit</p>
<p>Land Development Code changes that expand density bonus programs to significantly increase affordable unit production over next 10 years</p>	<p>Staff time</p>	<p>PAZ; City Council; NHCD; ATD</p>	<p>Within ¼ mile of high-frequency transit corridors and ½ mile of identified station areas</p>
<p>Responsible Entity</p>			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.4: Comprehensive Parking Reform	Action V.4.C: Reduce parking requirements for multifamily housing that are within ¼ mile of frequent transit service, and for multifamily or mixed-use developments that incorporate income-restricted affordable housing units.	1-2 years
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.4: Comprehensive Parking Reform	Action V.4.D: Review parking requirements for accessory dwelling units and other small-scale housing types in single family areas.	1-2 years
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.5: Increase Bikeability and Walkability	Action V.5.A: Increase bicycle infrastructure, bike lanes, and bike share facilities near affordable housing developments and end-of-the-line transit stops	1-2 years and ongoing
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.5: Increase Bikeability and Walkability	Action V.5.C: Amend Sidewalk Master Plan scoring criteria to award points for filling in gaps in sidewalks between affordable housing developments and transit.	Complete
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.6: Align Sidewalk Master Plan with Imagine Austin	Action V.6.A: Amend Sidewalk Master Plan scoring criteria to award points to direct investment in sidewalks within centers and corridors where there is or is likely to be higher frequency transit service.	Ongoing
Key: 1-2 years Long-term = 10 years * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Responsibility			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Passage of Land Development Code changes that include reductions in multifamily parking requirements within ¼ mile of high-frequency transit; rewrite of TCM considers reductions for multifamily properties near transit and for mixed-income and affordable properties</p>	<p>Staff time</p>	<p>PAZ; ATD; NHCD</p>	<p>Within ¼ mile of high-frequency transit corridors and within ½ mile of identified station areas</p>
<p>Revision of regulations related to parking requirements for ADUs</p>	<p>N/A</p>	<p>City Council</p>	<p>N/A</p>
<p>1-2 years: Within the revised Transportation Criteria Manual (see Action V.4.C), reduce parking requirements for multifamily properties in return for provision of bike share stations and bike share subsidies for residents found within the Transportation Demand Management guidelines.</p> <p>Long-term: Prioritize new bike lanes and bicycle infrastructure near affordable housing and end-of-the-line transit stops in future bond issues</p>	<p>GO bond funding for infrastructure; staff time; developer contributions through TDM</p>	<p>ATD; PWD; PAZ; NHCD; City Council, CPO</p>	<p>Areas within ¼ mile of existing affordable housing developments, end-of-the-line transit stops, and high-frequency transit corridors</p>
<p>Complete</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>
<p>Affordable housing criteria are more highly valued in scoring matrix</p>	<p>N/A</p>	<p>ATD, PW</p>	<p>N/A</p>

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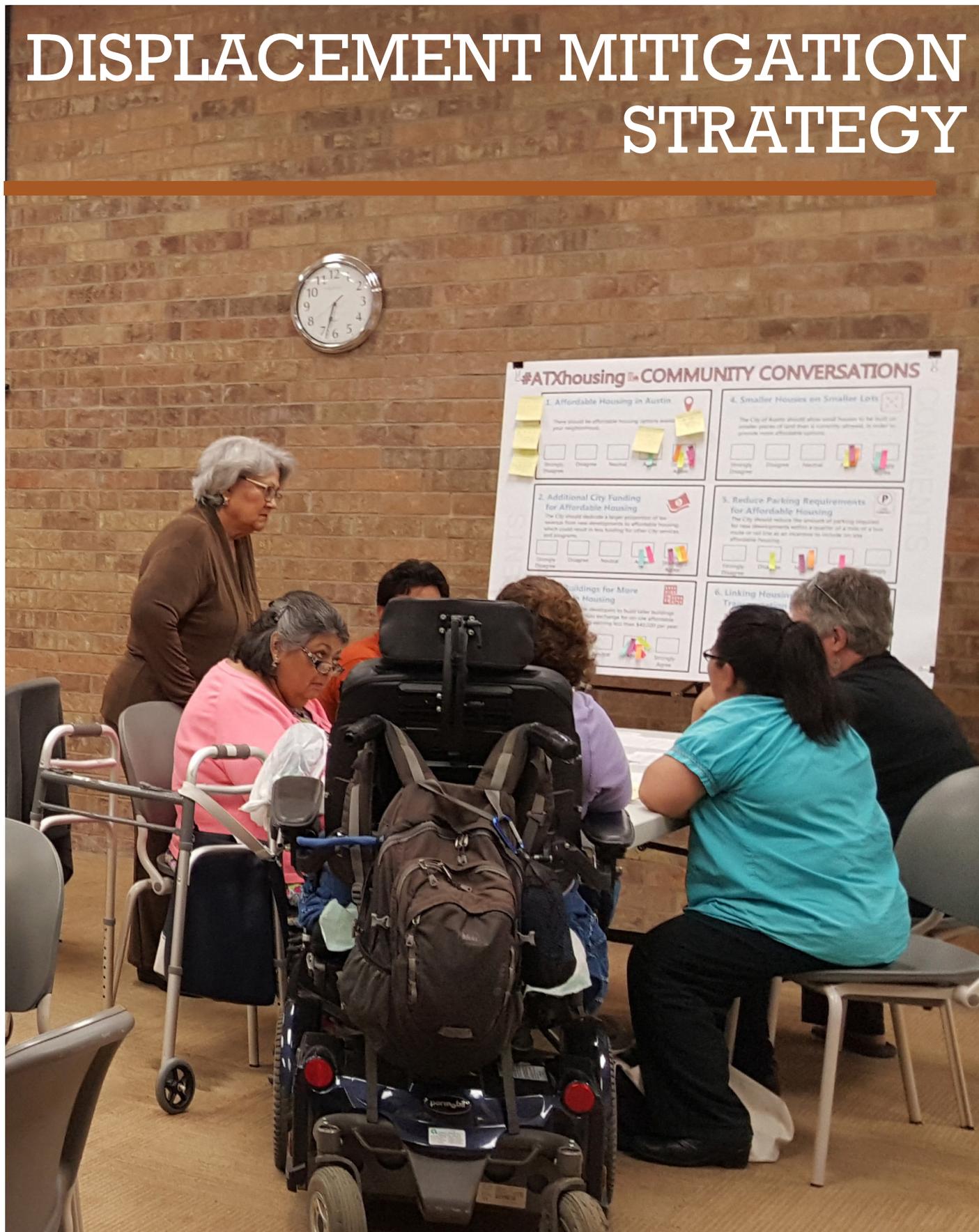
<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.8: Increase Opportunities for Households to Reduce Utility Costs	Action V.8.A: Review existing programs that encourage weatherization as well as efficient household appliances, fixtures, and mechanical systems.	1-2 years
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.8: Increase Opportunities for Households to Reduce Utility Costs	Action V.8.B: Explore programs that reduce initial costs for sustainable features such as solar energy.	1-2 years: Continue to implement and monitor success of pilot programs; Austin Energy to meet with NHCD to strategize about additional implementation for low-to moderate-income customers
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.8: Increase Opportunities for Households to Reduce Utility Costs	Action V.8.C: Provide incentives for renters and landlords to participate in sustainability programs	1-2 years
Key: 1-2 years Long-term = 10 years * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Responsibility			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
Continue to implement outreach and education to gain enrollment in Weatherization Assistance Program	Staff time and marketing funds from Austin Energy outreach staff	AE	Areas of high displacement-risk; however, Austin Energy's programs are available throughout their service area so they should be focused on all eligible households
Expansion of affordable solar energy programs to additional low- to moderate-income households	Funding for expansion of pilot programs	AE; NHCD	Areas of high low- to moderate-income households and low solar adoption
Improve uptake of Austin Energy programs through cross-promotion with City programs to increase awareness and through partner outreach	Staff time	AE; AW; NHCD; DSD; OoS; community partners such as Austin Green Energy Group	Areas of high displacement risk; areas of ongoing development

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# DISPLACEMENT MITIGATION STRATEGY



# DISPLACEMENT MITIGATION STRATEGY

## BACKGROUND

Low-income and minority Austin residents continue to face an increasing risk of residential displacement. According to *Uprooted*, there are three types of displacement:

1. **Direct displacement** occurs when (1) residents can no longer afford to remain in their residence due to rising housing bills (rents or property taxes), or (2) residents are forced out due to causes such as eminent domain, lease non-renewals, and evictions to make way for new development, or physical conditions that render their residence uninhabitable.
2. **Indirect displacement** refers to changes in who is moving into the neighborhood as low-income residents move out. While there is often a lot of movement in and out of rental housing in low-income neighborhoods, indirect displacement occurs when units being vacated by low-income residents are no longer affordable to other low-income households. This is also called exclusionary displacement since future low-income residents are excluded from moving into the neighborhood. This process is also sometimes referred to as a process of residential succession, whereby current low-income residents move out of a neighborhood—even if not due to direct displacement as a result of increased housing prices, eviction, or housing conditions—and are replaced with higher-income residents over time. Such changes can also occur due to discrimination against low-income residents (for example, those using vouchers) or changes in land use or zoning that foster a change in the character of residential development.

3. **Cultural displacement** occurs through changes in the aspects of a neighborhood that have provided long-time residents with a sense of belonging and allowed residents to live their lives in familiar ways. As the scale of residential change advances, and shops and services shift to focus on new residents, remaining residents may feel a sense of dislocation despite physically remaining in the neighborhood. This may also reflect the changing racial or ethnic character of the neighborhood—not just its class composition.

As a result of Austin’s continuing challenge with displacement, over 300 recommendations for mitigating displacement have been offered through community studies, reports, and assessments. These include:

- [\*Uprooted: Residential Displacement in Austin’s Gentrifying Neighborhoods, and What Can Be Done About It\*](#) (56 recommendations)
- [\*People’s Plan\*](#) (19 recommendations)
- [\*Anti-Displacement Taskforce Report\*](#) (107 recommendations)
- [\*Mayor’s Task Force on Institutional Racism and Systemic Inequities Report\*](#) (40 housing recommendations)
- [\*Fair Housing Action Plan\*](#) (2015) (32 recommendations)
- [\*Austin’s Plan to End Homelessness\*](#) (10+ housing-related recommendations)

Each of the reports offers a unique perspective. *Uprooted* is intended to provide policy-makers with a range of options grounded in research about underlying causes that lead to displacement. This report acknowledges its lack of lived experience perspective on gentrification pressure and displacement. In contrast, the People’s Plan, Anti-Displacement Task Force report, and Task Force on Institutional Racism and Systemic Inequities report provide a call to action in the voice of expertise and experience of the Austin community. The *Blueprint*, endorsed by City Council, includes recommendations generally related to affordable housing, with one of the main community values being the prevent households from being priced out of Austin.

To address immediate community needs, NHCD worked with the City’s Innovation Office to develop a one to two year displacement mitigation plan that incorporates recommendations from these community reports. To develop an actionable plan and ensure short-term impact, the Innovation Office facilitated a process to synthesize the reports and prioritize recommendations based on impact and effort (resources required). Subsequently, 15 recommendations rose to the top that cover a wide range of displacement concerns that have been voiced by the community, including strategies that help households who are facing imminent risk of displacement and longer term strategies that address the citywide affordable housing stock. The Displacement Mitigation Strategy is incorporated into objectives and actions in the Blueprint Implementation Resource Document.

## PROCESS FOR PRIORITIZING RECOMMENDATIONS

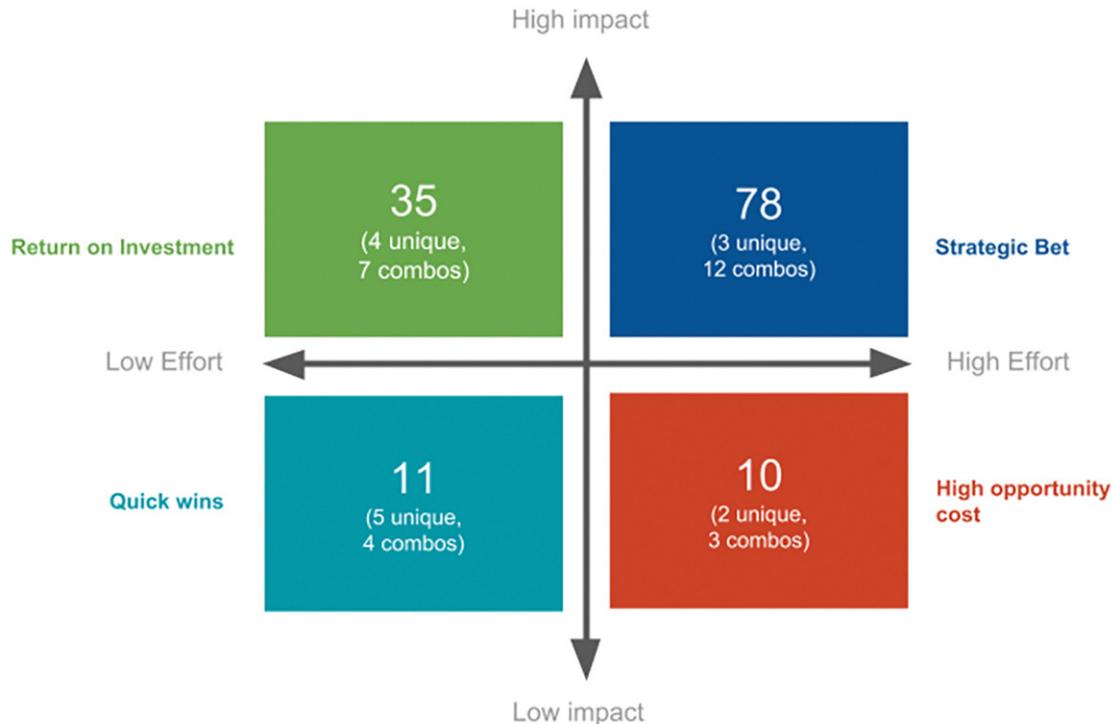
NHCD and the Innovation Office staff identified and entered over 600 pieces of information from the six reports into an Airtable database. These pieces of information were tagged and categorized with various attributes, including, but not limited to:

- Their source, description, and keywords
- Their type (e.g. background information, goal, policy, program, etc.)
- Whether they related to displacement, and if so, the type of displacement they addressed
- Whether they were actionable
- Whether they were currently underway
- The type of resident they targeted
- Whether they were in NHCD’s zone of control (these outside NHCD’s zone of control may be in the zone of control of other departments within the City of Austin, or external entities)
- Whether they require analysis by the City’s Finance and/or Law departments
- Whether they require legislative change and should be considered by the City’s Intergovernmental Relations Office

Recommendations that were actionable, related to displacement, free of significant legal or financial challenges, and considered within NHCD’s zone of control were grouped with similar recommendations, and plotted on a matrix based on their anticipated impact, their efficacy in mitigating displacement, and the resources required to implement. All of the recommendations fit into one of the four quadrants shown in the graphic on the next page.

Staff used the results of the sorting exercise and prioritized recommendations that could have the highest impact to include in a short term displacement mitigation plan to address immediate community needs. Priority was given to recommendations in the Strategic Bet and Return on Investment categories, as they had the highest potential impacts.

## PRIORITIZING RECOMMENDATIONS



## SHORT TERM DISPLACEMENT MITIGATION STRATEGY

The following 15 displacement mitigation strategies were prioritized from the 300+ community recommendations and have been incorporated into the Blueprint Implementation Resource Document. These recommendations are either currently underway or will be implemented in the next one to two years if additional staff are approved to increase the capacity of the department.

### ACTION 1: PREFERENCE POLICY TO PRIORITIZE NEW CITY-SUBSIDIZED AFFORDABLE UNITS FOR INCOME-QUALIFIED HOUSEHOLDS THAT ARE APPROPRIATELY SIZED TO THE UNIT AND/OR HAVE TIES TO THE CITY

**Target MFI Level:** 80% and below

**Community Plan Alignment:** People’s Plan, Institutional Racism & Systemic Inequities Task Force report, Anti-Displacement Task Force report, *Uprooted*

**Blueprint Implementation Alignment:**

**Community Value I:** Prevent Households from Being Priced Out of Austin

**Objective I.11:** Pursue a Right to Return Policy

**Action I.11.A:** Preference policy to prioritize new City-subsidized affordable units for income-qualified households that are appropriately sized to the unit and/or have generational ties to the city

### Background:

Preference policies can help mitigate displacement by prioritizing subsets of income-eligible households for affordable units. Households with certain characteristics, such as a number of persons that correlate with the number of bedrooms in units or with generational ties to a neighborhood, are given preference on waiting lists and lotteries for available affordable housing units.

City Council Resolution No. [20180308-010](#) directed the City Manager to propose a preference policy that prioritized applicants' generational ties to the city and household size in relation to unit size. The Law Department is researching and analyzing what a possible Austin preference policy could include.

**Implementation Timeline:** Staff aims to offer a policy recommendation to the Austin City Council in Spring 2019.

## **ACTION 2: INCREASE COMMUNITIES OF COLOR PARTICIPATION IN NHCD'S AFFORDABLE HOUSING INVESTMENT RECOMMENDATIONS AND DISPLACEMENT MITIGATION ACTIVITIES**

**Target MFI Level:** 80% and below

**Community Plan Alignment:** People's Plan, Institutional Racism & Systemic Inequities Task Force report, Anti-Displacement Task Force report

### Blueprint Implementation Alignment:

**Community Value I:** Prevent Households from Being Priced Out of Austin

**Objective I.11:** Make strategic investments to minimize displacement

**Action I.8.B:** Engage Communities of Color in participating in NHCD's affordable housing investment recommendations and displacement mitigation activities

### Background:

The Housing Investment Review Committee (HIRC) is currently charged with reviewing staff's

analysis and recommendations for affordable housing investments. The HIRC consists of six community members. The 2007 council resolution that directed the creation of the body called for a Housing Bond Review Committee consisting of two representatives from the Community Development Commission plus three representatives with expertise and experience in affordable housing development and finance. As NHCD invests a variety of funding sources into affordable housing developments (including federal, Housing Trust Fund, and General Obligation Bond), NHCD expanded the responsibilities of the committee from reviewing only bond-related investments to reviewing all housing investments.

NHCD is working with a committee of the Equity Action Team (EAT) to strategize ways to incorporate more inclusive oversight of NHCD's housing investments. Specifically, NHCD and EAT are working to develop ways to incorporate more input from communities of color. Current strategies contemplated include expanding the HIRC to include more community members of color and providing more targeted outreach to gather feedback on contemplated housing investments at various crucial decision points, such as HIRC, CDC, and City Council/Austin Housing Finance Corporation meetings.

**Implementation Timeline:** Staff began meeting with community members and the Equity Action Team in January 2019 and will continue the process.

## **ACTION 3: INCORPORATE ROBUST TENANT PROTECTIONS FOR ALL RENTAL PROPERTIES RECEIVING CITY SUPPORT**

**Target MFI Level:** 80% and below

**Community Plan Alignment:** Anti-Displacement Task Force report, *Uprooted*

### Blueprint Implementation Alignment:

**Community Value I:** Prevent Households from Being Priced Out of Austin

**Objective I.10:** Prevent Displacement of Low- and Moderate-Income Renters

**Action I.10.A:** Incorporate robust tenant protections for all rental properties receiving City support

**Background:**

Austin City Council Resolution No. [20180510-051](#) directed the City Manager to require all developments funded through Private Activity Bonds to carry the Tenant Protection Lease addendums that are required for all developments funded through the RHDA program.

The application and guidelines have been revised to require all developments funded through newly issued Private Activity Bonds (PABs) by the AHFC to carry these protections.

Staff will continue to evaluate these protections and work with advocacy groups and development partners to improve tenant protections. Staff will also continue to explore areas where these protections can be applied, including for all developments seeking resolutions of no objection for an application to Texas Department of Housing and Community Affairs (TDHCA) for 4% low income housing tax credits.

**Implementation Timeline:** Tenant protections will be included in the next Private Activity Bond (PAB) development application process (PABs are processed on a rolling basis).

**ACTION 4: RECALIBRATE, STREAMLINE, AND EXPAND DENSITY BONUS PROGRAMS TO SERVE RENTERS AT OR BELOW 60% MFI**

**Target MFI Level:** 60% and below

**Community Plan Alignment:** People’s Plan, Anti-Displacement Task Force report, *Uprooted*, *Austin Strategic Housing Blueprint*

**Blueprint Implementation Alignment:**

**Community Value I:** Prevent Households from Being Priced Out of Austin

**Objective I.10:** Prevent Displacement of Low- and Moderate-Income Renters

**Action I.10.B:** Recalibrate, streamline & expand density bonus programs to serve renters at or below 60% MFI

**Background:**

Density bonuses are a valuable tool for leveraging the private market to create affordable housing without the use of public subsidy. Staff is currently working on a response to Resolution No. [20180823-077](#), which directed staff to develop and deliver to City Council recommendations for code amendments that would recalibrate existing density bonus policies. Staff is also anticipating expanding density bonuses through any future comprehensive revision to the City’s Land Development Code.

Changes to the density bonus program will be implemented through Council’s adoption of amendments to the Land Development Code. NHCD, PAZ, and DSD will be the lead departments responsible for drafting policy recommendations and code language.

**Implementation Timeline:** Staff aims to provide City Council with recommendations for the recalibration and streamlining of existing density bonus policies in early 2019.

**ACTION 5: STREAMLINE THE APPLICATION PROCESS FOR AFFORDABLE UNITS**

**Target MFI Level:** 80% and below

**Community Plan Alignment:** People’s Plan, Institutional Racism & Systemic Inequities Task Force report, Anti-Displacement Task Force report, *Austin Strategic Housing Blueprint*

**Blueprint Implementation Alignment:**

**Community Value II:** Foster Equitable, Diverse, and Integrated Communities

**Objective II.12:** Improve access to affordable housing information for communities vulnerable to displacement

**Action II.12.A:** Streamline the application process for affordable units

**Background:**

NHCD is working with a vendor to develop a web-based portal to streamline its housing tenancy programs. The platform aims to provide NHCD’s clients the full spectrum of experience, from client application intake to meeting NHCD’s reporting requirements. The platform includes both a public facing portal and an internal facing portal for NHCD staff to manage programs and ensure program requirements are met.

The public portal allows clients to view services offered by NHCD and where the services are available via a mapping tool. Clients will be able to sign up for services, and submit applications online in one place.

**Implementation Timeline:** Staff is currently working with the vendor to develop the software application.

**ACTION 6: MARKET NHCD-SUBSIDIZED AFFORDABLE UNITS TO PEOPLE OF COLOR IN GENTRIFYING AREAS**

**Target MFI Level:** 80% and below

**Community Plan Alignment:** Institutional Racism & Systemic Inequities Task Force report, Anti-Displacement Task Force report

**Blueprint Implementation Alignment:**

**Community Value II:** Foster Equitable, Diverse, and Integrated Communities

**Objective II.12:** Improve access to affordable housing information for communities vulnerable to displacement

**Action II.12.B:** Market NHCD-subsidized affordable units to people of color in gentrifying areas

**Background:**

NHCD is working to expand its affirmative marketing of NHCD-subsidized affordable units to people of

color in gentrifying areas. This marketing is intended to attract home buyers and renters of protected classes to subsidized or incentivized rental projects and ownership opportunities. The marketing plan describes initial advertising, outreach (community contacts) and other marketing activities that inform potential income-eligible buyers and renters of the existence of the affordable units. NHCD will incorporate strategies to strengthen outreach to people of color in gentrifying areas

**Implementation Timeline:** Staff is currently working to expand affirmative marketing of income-restricted affordable housing to people of color in gentrifying areas.

**ACTION 7: ENGAGE DIRECTLY WITH COMMUNITIES VULNERABLE TO DISPLACEMENT AND CONNECT THEM WITH SERVICES**

**Target MFI Level:** 80% and below

**Community Plan Alignment:** People’s Plan, Institutional Racism & Systemic Inequities Task Force report, Anti-Displacement Task Force report, *Uprooted*, *Austin Strategic Housing Blueprint*

**Blueprint Implementation Alignment:**

**Community Value II:** Foster Equitable, Diverse, and Integrated Communities

**Objective II.12:** Improve access to affordable housing information for communities vulnerable to displacement

**Action II.12.C:** Conduct outreach to communities vulnerable to displacement and connect eligible community members with services

**Background:**

This strategy focuses on the creation of neighborhood-specific strategies to alleviate immediate displacement pressures by focusing on sharing information with Austin residents to help them be able to stay in their current residence.



*Riverside Meadows in Montopolis*

The Innovation Office iTeam will prototype an approach for creating neighborhood-specific strategies with the Montopolis neighborhood, with the intention of transferring the work to NHCD to implement in areas in the city with displacement pressure. In 2019 the iTeam will work with NHCD, Montopolis residents, and community partners to create a process to:

1. Determine the factors that contribute to displacement pressures in Montopolis;
2. Identify promising interventions from recommendations in existing anti-displacement reports that can affect those contributing factors;
3. Co-create, with neighborhood residents, effective design and delivery of these interventions; and
4. Measure the interventions' effects on the contributing factors.

The iTeam is well versed in resident-centered work from their past two years of prototyping homelessness services. They will increase NHCD's capacity to work on displacement mitigation, take on the early, uncertain stages of service and process prototyping, and provide expertise in human-centered design and community co-creation that other City departments and community partners can incorporate into ongoing displacement mitigation efforts.

Lived experience is the key concept of this approach. It responds to what residents of a specific neighborhood are experiencing, rather than citywide strategies. Where citywide initiatives may create policies related to affordable housing supply and access, a lived experience approach may focus, for example, on accessible eviction counseling, alternatives to predatory lending, obtaining home repairs, exercising tenants rights, and lowering utility costs.

The process the iTeam prototypes in Montopolis will be adaptable to other neighborhoods, and can create a series of neighborhood-appropriate displacement mitigation efforts across Austin that could be brought to scale with additional resources over time.

**Implementation Timeline:** The Innovation Office iTeam will prototype and test this strategy throughout 2019.

### **ACTION 8: MODIFY AND EXPAND HOME REPAIR PROGRAMS IN GENTRIFYING AREAS**

**Target MFI Level:** 80% and below

**Community Plan Alignment:** People’s Plan, Institutional Racism & Systemic Inequities Task Force report, Anti-Displacement Task Force report, *Uprooted*

**Blueprint Implementation Alignment:**

**Community Value I:** Prevent Households from Being Priced Out of Austin

**Objective I.4:** Prevent Displacement of Low-and-Moderate-Income Homeowners

**Action I.4.B:** Assist 600 Low-Income Households Per Year With Home Repair Programs, With the Objective to Help Preserve Existing Housing Stock

**Background:**

The 2018 General Obligation (GO) Bond includes an estimated \$28 million in funding for the GO Repair! Program. Staff recommends a graduated increase in annual funding for the program, which will enable nonprofit providers to appropriately staff and build internal capacity. Staff is also implementing program changes in order to better meet the community’s needs for home repairs and to deploy the funding more strategically. With the *Uprooted* report, staff can now target residents in areas at risk of displacement. In addition to increasing locally sourced funds for GO Repair!, staff is exploring expanding federally-funded home

repair programs and is pursuing this effort through the Consolidated Plan process.

**Implementation Timeline:** Staff is currently developing programmatic changes, and the bond funds for GO Repair! are expected to be released in early-to-mid 2019.

### **ACTION 9: LAND BANK IN GENTRIFYING AREAS TO ACQUIRE AND DEVELOP AFFORDABLE HOUSING**

**Target MFI Level:** 50% and below for rental units; 80% and below for ownership

**Community Plan Alignment:** People’s Plan, Institutional Racism & Systemic Inequities Task Force report, Anti-Displacement Task Force report, *Uprooted*, *Austin Strategic Housing Blueprint*

**Blueprint Implementation Alignment:**

**Community Value II:** Foster Equitable, Integrated, and Diverse Communities

**Objective II.3:** Undertake Strategic Land Banking  
**Action II.3.A:** Strategically acquire and hold land in underdeveloped activity centers and corridors, making it available to private or non-profit developers for the construction of affordable housing as these areas develop

**Background:**

NHCD is currently exploring opportunities for land banking properties in gentrifying areas, as the 2018 GO Bonds will provide approximately \$100 million for land acquisition. Staff is working to proactively identify opportunities ranging from small infill properties to larger scale vacant land (see the Acquisition & Disposition chapter). Any property acquired using the GO Bonds will limit the subsequent affordability to at or below 50% MFI for rental units and at or below 80% MFI for ownership units. In addition, long-term affordability will be ensured through a focus maintaining AHFC ownership of the land.

Properties will be assessed for potential acquisition using the a new criteria that aligns with goals in the *Blueprint*. The criteria include:

- Total unit production for each Council District;
- Unit production within High Opportunity areas as defined by Opportunity 360;
- Unit production within areas at Risk of Displacement as defined by *Uprooted*;
- Unit production within one quarter-mile of high frequency transit routes;
- Unit production within one half-mile of Imagine Austin centers and corridors;
- Unit production within one half-mile of a corridor improved through the Mobility Bonds; and
- Unit production to improve geographic dispersion of affordable units.

**Implementation Timeline:** Staff has developed criteria for land acquisition and are in the process of identifying potential properties.

#### **ACTION 10: SUPPORT TENANT ORGANIZING AND ENGAGEMENT AND PROVIDE LEGAL AND OTHER ASSISTANCE TO TENANTS FACING EVICTION**

**Target MFI Level:** 80% and below

**Community Plan Alignment:** Anti-Displacement Task Force report, *Uprooted*

**Blueprint Implementation Alignment:**

**Community Value I:** Prevent Households from Being Priced Out of Austin

**Objective I.10:** Prevent Displacement of Low- and Moderate-Income Renters

**Action I.10.C:** Support tenant organizing and engagement and provide legal and other assistance to tenants facing eviction

#### **Background:**

Eviction is a type of direct displacement and can lead to housing insecurity, including the potential for individuals and households to fall further down the continuum of housing toward homelessness. NHCD to develop guidelines for a program that will offer assistance to households facing eviction and help households prevent eviction. NHCD will implement this program via a contract with an external partner. The program will offer education around the eviction process and legal aide. Staff has developed a scope of work and will be issuing a Notice of Funding Availability (NOFA) in 2019.

**Implementation Timeline:** Staff aims to launch the NOFA in spring 2019.

#### **ACTION 11: PROVIDE TENANT RELOCATION ASSISTANCE AND EMERGENCY RENTAL ASSISTANCE**

**Target MFI Level:** 70% and below

**Community Plan Alignment:** Anti-Displacement Task Force report, *Uprooted*, *Austin Strategic Housing Blueprint*

**Blueprint Implementation Alignment:**

**Community Value I:** Prevent Households from Being Priced Out of Austin

**Objective I.10:** Prevent Displacement of Low- and Moderate-Income Renters

**Action I.10.D:** Provide tenant relocation assistance and emergency rental assistance

#### **Background:**

NHCD began implementing the Tenant Notification and Relocation Assistance Ordinance in 2016, which allows for financial relocation assistance to income-eligible tenants facing displacement from multifamily buildings and mobile home parks. The ordinance enables City Council to charge a tenant relocation fee to developers in certain cases, and establish a public fund that can provide assistance to income-eligible displaced tenants any time the ordinance is triggered. To implement the fee to

developers, a study must be completed to set the fee level. A Request for Qualifications (RFQ) has been issued to find a consultant to undertake the study.

Staff is also responding to Council Resolution No. [20180628-063](#), which directed staff to make updates to the ordinance, with recommendations to be forwarded to Council in the first quarter of 2019. Staff recommends that City Council establish the public fund for relocation assistance.

For emergency rental assistance, NHCD is planning to develop a short-term rental assistance program funded through the Housing Trust Fund. Staff are working on a competitive solicitation to find a qualified service provider to administer the program with the goal of having the scope of work and program guidelines developed by the end of fiscal year 2019.

**Implementation Timeline:** Staff has released the Request for Qualifications to complete the fee study, and plan to develop the Emergency Rental Assistance Program guidelines by the end of Fiscal Year 2019.

## **ACTION 12: SUPPORT THE CREATION OF DEEPLY AFFORDABLE UNITS AT 20% AND 30% MFI AND BELOW**

**Target MFI Level:** 30% and below

**Community Plan Alignment:** Anti-Displacement Task Force report, *Austin Strategic Housing Blueprint*

**Blueprint Implementation Alignment:**

**Community Value III:** Invest in Housing for Those Most in Need

**Objective III.9:** Support the Creation of Deeply Affordable Units Serving People at 20% and 30% MFI and Below

**Action III.9.A:** Focus resources and funding on housing that is affordable to this income bracket (20% and 30% MFI)

**Background:**

NHCD's Rental Housing Development Assistance (RHDA) scoring system assigns a point value for each unit assisted with RHDA funds (see the Bond Implementation chapter). Based upon the goals established in the *Strategic Housing Blueprint*, points are calculated as the percentage of the annual goal achieved with the provided units. Percentages are then multiplied by a constant to assign a point value. This point value represents the first threshold for applications in the overall review process. For units available to households at or below 50% MFI, the constant multiplier is 15 for all goals. Units available to households at or below 30% MFI get a 25% increase in the per unit score, with a constant multiplier of 20. By assigning points based upon the percentage of the goal achieved, applications in different areas of the City can more easily be compared against one another. The constant allows the unit scores to weigh as heavily in the overall score as the score for initiatives and priorities. By weighting the units with deeper levels of affordability, the application and scoring process increases the incentive to provide these units.

**Implementation Timeline:** Staff began using the new scoring system for RHDA applications starting in early 2019.

## **ACTION 13: PROACTIVELY MONITOR AFFORDABLE PROPERTIES AT RISK OF LOSING AFFORDABILITY TO TRY TO EXTEND AFFORDABILITY PERIODS**

**Target MFI Level:** 60% and below

**Community Plan Alignment:** Anti-Displacement Task Force report, *Uprooted*, *Austin Strategic Housing Blueprint*

**Blueprint Implementation Alignment:**

**Community Value I:** Prevent Households from being Priced Out of Austin

**Objective I.8:** Make Strategic Investments to Minimize Displacement

**Action I.8.B:** Track which income-restricted units are set to expire in a given year, and target

these units with strategies like the strike fund, community land trust, and others

### **Background:**

Tracking housing at risk of losing an affordability requirement will help AHFC and community partners identify opportunities for acquisition and preservation of units. While some properties may be too costly or require too much maintenance and rehabilitation for AHFC to purchase and operate outright, community partners like Affordable Central Texas, affordable housing non-profits, community development financial institutions (CDFIs), and real estate investment trusts (REITs) can use the information and network to acquire and preserve affordable properties.

NHCD is developing the Affordable Housing Data Hub, a dynamic database of income-restricted affordable housing in the Austin area, using data from the Housing Authority of the City of Austin, the Housing Authority of Travis County, Texas Department of Housing and Community Affairs, and the City of Austin. This database contains information on affordability period expiration dates, which will allow NHCD and community partners to proactively track when the affordability requirements on existing affordable units are set to expire. See the Preservation Strategy chapter for more information.

To preserve the expiring affordable housing units, the community should also create a preservation network of entities that can use the database information to identify at risk properties and purchase them for continued use as affordable housing.

NHCD is working with partners to create and maintain the tracking database. The preservation network should be comprised of entities from the community, like affordable housing owners, operators, and funders. Community partners that can work with the preservation network to acquire identified properties could range from national organizations with large affordable housing portfolios to local nonprofit organizations, such as

Foundation Communities and Affordable Central Texas, to CDFIs, and mission-driven REITs.

**Implementation Timeline:** Staff aims to publicly launch the database of affordable units in early 2019, which includes information to track developments with expiring affordability periods.

## **ACTION 14: SUPPORT CAPACITY BUILDING FOR COMMUNITY DEVELOPMENT CORPORATIONS**

**Target MFI Level:** 60% and below

**Community Plan Alignment:** Anti-Displacement Task Force report, *Uprooted*

### **Blueprint Implementation Alignment:**

**Community Value IV:** Create New And Affordable Housing Choices For All Austinites In All Parts of Austin

**Objective IV.19:** Support Local Non-Profit Entities to Expand Affordable Housing Production

**Action I.8.B:** Support capacity building for Community Development Corporations

### **Background:**

NHCD's goal is to assist local non-profit entities in expanding current affordable housing production, benefitting more low-income households and/or operating more efficiently and effectively. In FY 2019, NHCD will release a Request for Proposals for nonprofit organizations to increase their capacity to develop affordable housing. NHCD plans to award \$300,000 to an estimated three to four eligible nonprofit organizations. Proposals will be targeted to benefit households at or below 60% MFI.

NHCD is contemplating the following eligible activities for non-profit funding:

1. Project and Operations Management improvements, to include:
  - a. Staff salary for new project and operations management positions;

- b. Training for staff (including both existing and new staff); and
  - c. Technical and management consultants
2. Board Development, with a particular focus on governance to include:
- a. Training, including travel; and
  - b. Consultants and facilitators.

Applicants will be evaluated based on a variety of factors, including their work plan, budget, and alignment with the *Austin Strategic Housing Blueprint*.

**Implementation Timeline:** Staff aims to launch the RFP in 2019.

and marital status. The City of Austin enforces its fair housing ordinance through the Equal Employment and Fair Housing Office (EE/FHO), located in the Human Resources department. The City also provides funding to Austin Tenants' Council (ATC) to investigate violations of the federal fair housing law.

This strategy also aligns with findings from the City's Analysis of Impediments to Fair Housing Choice publications. NHCD will implement this strategy of increased fair housing enforcement and education with guidance from the EE/FHO.

**Implementation Timeline:** Ongoing

## **ACTION 15: INCREASE FAIR HOUSING ENFORCEMENT AND EDUCATION**

**Target MFI Level:** All

**Community Plan Alignment:** Institutional Racism & Systemic Inequities Task Force report, Anti-Displacement Task Force report, *Austin Strategic Housing Blueprint*

**Blueprint Implementation Alignment:**

**Community Value II:** Foster Equitable, Integrated, and Diverse Communities

**Objective II.2:** Implement the City of Austin's Fair Housing Action Plan and Bolster Enforcement of Existing Fair Housing Requirements

**Action II.2.A:** Implement the Fair Housing Action Plan in Its Entirety

**Background:**

The City of Austin fair housing ordinance provides protections from discrimination in housing that exceed those in the Federal Fair Housing Act, including additional protections for age, creed, sexual orientation, gender identity, student status,





**AFFORDABLE HOUSING  
BOND IMPLEMENTATION  
STRATEGY: RHDA, OHDA,  
AND GO REPAIR!**

# AFFORDABLE HOUSING BOND IMPLEMENTATION STRATEGY

In November 2018, Austin voters approved \$250 million in general obligation bonds for affordable housing investments. According to City Council guidance, the funds are generally divided into four categories: Rental Housing Development Assistance (RHDA); Ownership Housing Development Assistance (OHDA, previously called Acquisition and Development); GO Repair! (Home Repair program); and Land Acquisition. Three of the four categories are existing programs (RHDA, OHDA, and GO Repair!). These additional general obligation bonds will enable the department to scale the existing programs to help meet the City's affordable housing needs, in alignment with the *Strategic Housing Blueprint*. Funding for Land Acquisition will be discussed in detail in the *Acquisition and Disposition Strategy* chapter.

## RENTAL HOUSING DEVELOPMENT ASSISTANCE & OWNERSHIP HOUSING DEVELOPMENT ASSISTANCE

Austin Housing Finance Corporation (AHFC) provides assistance for housing developments through two programs: Rental Housing Development Assistance (RHDA) and Ownership Housing Development Assistance (OHDA). Both programs serve to increase the total number of affordable housing options within the City of Austin through the use of federal and local funds. Developers receiving assistance through the RHDA and OHDA programs are granted favorable loans, ranging from deferred-forgivable loans to low-interest loans, in exchange for a guarantee of affordability for a set number of units, at least 10% of the development, over a specified amount of time, 40 years or 99 years, at

an established level of affordability, below 50% MFI for RHDA and below 80% MFI for OHDA.

The 2013 affordable housing bonds created more than 1,300 rental units for households at or below 50% MFI, or approximately \$43,000 for a four-person household. Based on similar investment levels and leverage ratios, NHCD anticipates that the estimated \$94 million in funding for RHDA will result in more than 3,500 rental units for households at or below 50% MFI. Similarly, additional funding for OHDA (estimated to be \$28 million) through the 2018 affordable housing bond could result in hundreds of units of affordable home ownership for households at or below 80% MFI.

With this large influx of available funds, staff expects to see a dramatic increase in the number of RHDA and OHDA applicants. To ensure that the funds for the RHDA and OHDA programs are invested in the most effective and efficient manner possible, staff has developed a new strategy aligned with the *Blueprint* to score and award these funds.

## STRATEGIC CONSIDERATIONS

The primary purpose of both the RHDA and the OHDA programs is to implement housing goals and strategies outlined in the *Blueprint*. Council-adopted corridor goals and district-level goals will guide the production and preservation of affordable housing. Staff will continue to use these goals to direct funds toward the most effective developments available.

This strategy is designed to accomplish several distinct goals. First, the application process should be clear and transparent, with established deadlines and milestones. Second, applications should be judged against a static threshold to ensure any

funded project meets a set of minimum standards. Finally, applications should be judged against one another so funds can be targeted to the most impactful project. These four considerations have led to the revised application and review process detailed below.

## APPLICATION INTAKE

Prior to these revisions, the RHDA and OHDA applications consisted of a series of essay questions. Applicants provided narrative responses to address issues such as Developer Capacity or Property Management History. These narrative responses were assessed, first by the applicant and then by staff, to derive a quantitative score. Often, staff scores were not as generous as the applicant's self score, leading some applications to fall below the minimum threshold score after submittal. In amending the RHDA and OHDA applications, staff sought to achieve two primary objectives: simplification and standardization. First, the quantitative review must address quantitative metrics rather than subjective assessments of narrative statements. Second, the application must require all necessary documentation to adequately assess the qualitative aspects.

To begin, applicants complete a short project summary form. This form includes several multiple-choice questions that guide the applicant through the process. Additionally, this form collects pertinent information including: the number of units, affordability level of the units, and the location of the development to assess the proposal against the goals established in the *Blueprint*. As the applicant fills in the form, the data is then populated into the Scoring Sheet, which is tabulated to provide an initial quantitative intake score. Applicants are able to see their score and may amend their proposal prior to submission if necessary; this provides applicants with greater transparency and removes the often contentious scoring revisions that have been part of the previous intake process.

Primarily, applications earn points based upon the total number of affordable units provided and the level of affordability proposed. Applications

with more units at deeper affordability levels will generally score higher than applications with fewer units; however, location is also a consideration. The Strategic Housing Blueprint Implementation Plan identifies seven locational metrics upon which applications are scored: total unit production for each Council District; unit production within High Opportunity areas as defined by Opportunity 360; unit production within areas at Risk of Displacement as defined by *Uprooted*; unit production within one quarter-mile of high frequency transit routes; unit production within one half-mile of Imagine Austin centers and corridors; unit production within one half-mile of a corridor improved through the Mobility Bonds; and unit production to improve geographic dispersion of affordable units. Developments that meet these locational criteria will receive additional points based upon the number and affordability level of the units provided.

The *Blueprint* also identifies several initiatives to prioritize underserved populations, such as those exiting homelessness, those with mobility or sensory impairments, and families with children. Applications receive additional points based upon the number of units provided to serve these populations. Recognizing that not all locations are equally suited to serve these populations, the application also includes a weighted score for each of these initiatives based upon specific metrics from the Opportunity 360 program. Applications that include units certified by The Ending Community Homelessness Coalition (ECHO) receive points for serving those exiting homelessness; applications receive additional points weighted by the Opportunity 360 scores for Mobility, Access to Jobs, Community Institutions, and Social Cohesion. Applications that include units with multiple bedrooms receive points per bedroom for serving families with children; additional points are weighted by Opportunity 360 scores for Educational Attainment, Environment, Community Institutions, Social Cohesion, and Economic Security. Applications that include accessible units for individuals with mobility or

sensory impairments receive points per unit provided; additional points are weighted by Housing Stability, Health, Mobility, and Community Institutions scores. If an application scores above the minimum threshold score, it is then reviewed for completeness.

A complete application includes all required attachments as detailed in the program guidelines. This list of attachments includes supporting documentation for information that had been collected through the essay questions of the previous application. For example, rather than submitting a narrative of previous experience that shows the capacity of the Development Team to accomplish the proposed project, the applicant must now submit a Curriculum Vitae for each member of the team. This simplification also allows for a more rapid initial review of applications. To compare multiple applications against one another, a Quarterly Intake Deadline has been established. Applications will be accepted on a continuous basis, but any application received after the Quarterly Intake Deadline will be processed in the subsequent cycle. Staff will work with applicants to resolve any outstanding issues and identify ways to improve proposals. All complete applications that meet the minimum threshold will be posted to the City of Austin website and noted as “pending” applications.

### **STAFF PANEL REVIEW**

Once all applications for the current cycle have been posted to the website, the NHCD Staff Panel completes a qualitative assessment of each application. The Staff Panel consists of designated representatives from the eight divisions within the Department of Neighborhood Housing and Community Development: finance, compliance, contracts, construction, client services, planning, real estate, and housing development assistance. The Panel members review each application and the required attachments through their own professional lens: the Real Estate representative assesses the impact of the proposal on the area and the impact of the area on the proposal; the

Compliance representative reviews the application and the applicants in reference to past compliance issues on previous developments. After the panelists have had time to review and score each application (approximately 2 weeks), the panel meets to discuss each application. Following the meeting, the program manager collects the comments from the panel scoring sheet and all comments collected at the panel meeting to draft a Panel Review Report. This Panel Review Report is then forwarded to the Housing Investment Review Committee.

### **HOUSING INVESTMENT REVIEW COMMITTEE**

The Housing Bond Review Committee was established to review the work of staff for all developments funded with General Obligation Bond dollars. As an established part of the RHDA and OHDA review process, the Housing Bond Review Committee will continue to review the work of staff and question developers prior to funding decisions being made; however, while general obligation bonds will comprise the majority of funds allocated through the RHDA and OHDA programs, all applications will follow a uniform path. The Housing Bond Review Committee will review all projects requesting funding, whether local or federal dollars are to be used. This will ensure transparency and consistency in the review of all applications. Due to this expanded role, the committee has been renamed the Housing Investment Review Committee (HIRC).

Members of the HIRC are appointed by the NHCD Director. The committee is comprised of several individuals with expertise in planning and housing development as well as representatives from the Community Development Commission. The intent of the committee is to provide a variety of experience and detailed knowledge to investigate each application from a more precise perspective. The HIRC receives the applications, along with the panel review reports, underwriting reports, and the Development Information Packets (DIPs) which provide additional detail on the development

and the surrounding area. At the HIRC meeting, developers are invited to answer questions about their applications. The HIRC does not make a recommendation, but the information from this committee is recorded and forwarded to the Executive Team for a final review and recommendation of funding before the application is submitted to the Austin Housing Finance Corporation (AHFC).

## EXECUTIVE TEAM

Following the HIRC meeting, staff records all comments and issues raised by the HIRC and attaches them as an addendum to the underwriting report. Staff then presents these reports to the Executive Team, consisting of the NHCD Director, Assistant Director, Chief Financial Officer, and Community Development Administrator. Staff presents the applications in order of priority ranking and recommends a funding source for each. The Executive Team reviews each application and determines, based upon all of the available evidence, whether or not the application should be forwarded to the AHFC Board with a recommendation for funding.

## AUSTIN HOUSING FINANCE CORPORATION BOARD

Any application that is presented to the AHFC Board for funding has been through at least four rounds of vetting: a quantitative score, a qualitative underwriting assessment, an interview of the developer before the HIRC, and a final recommendation from the Executive Team. This process ensures all developments funded with AHFC funds, whether locally or federally sourced, align with the goals established in the *Strategic Housing Blueprint*. Through this competitive process, staff seeks to recommend only those projects that provide the most efficient and effective use of AHFC funds. The quarterly review provides developers the confidence of knowing when an application is due and when a final decision can be expected. Staff intends to have all loan documents prepared for execution on the day the AHFC Board takes action.



*Capital Studios, a Foundation Communities development that received funding support from the City of Austin*

## **GO REPAIR!**

The GO Repair! program is a collaboration with local nonprofit organizations that provide crucial life and safety repairs to low- and moderate-income homeowners. The 2013 affordable housing bonds included \$12 million in funding for nonprofits to provide more than 660 home repairs. Per existing program guidelines, direct funding is limited to \$15,000 per home, with up to \$3,000 in administrative overhead for the nonprofit provider. Funds are awarded via a competitive annual Notice of Funding Availability (NOFA) process.

Currently, nonprofit organizations maintain separate waitlists for their programs; however, nonprofits refer clients to each other depending on funding availability. It is not unusual for nonprofits to have hundreds of homeowners on their waitlists. Nonprofits collaborate and coordinate through the Austin Housing Repair Coalition, which meets monthly. NHCD staff regularly attend the monthly meetings, along with other departments that are involved in various aspects of home repairs, including Austin Water and Austin Energy.

The 2018 affordable housing bond includes an estimated \$28 million in funding for the GO Repair! program. NHCD staff recommends a graduated increase in annual funding for the program, which will enable nonprofit providers to appropriately staff and build internal capacity. NHCD staff also recommends several program changes in order to better meet the community's needs for home repairs and to deploy the funding more strategically.

## **CONTINUE & EXPAND THE RESERVATION SYSTEM**

In FY 2018-2019, NHCD staff updated the program to include a reservation system. This new system enables nonprofits to more quickly reserve funding for home repairs and is more responsive and flexible for both nonprofit and client needs. Staff will continue to evaluate the reservation system and may recommend increasing the allowable set aside of reserved units.

## **INCREASE THE PER HOUSEHOLD FUNDING AMOUNT**

Currently, funding per household is limited to \$15,000, which is often insufficient to address the number and complexity of required repairs. As supported by the Austin Housing Repair Coalition, NHCD staff recommends increasing the funding limit to \$20,000 (with a \$4,000 administrative overhead cap), beginning in FY 2019-2020.

It is important to note that there are not currently affordability restrictions placed on properties that receive funding through the GO Repair! Program. The Austin Housing Repair Coalition has provided data evidencing the ongoing affordability (e.g., a negligible number of resales). NHCD will continue to monitor the data to ensure that the public investment in affordability remains with low- and moderate-income households, as originally intended. Should data demonstrate a change in trends, NHCD may reconsider affordability restrictions, such as deed restrictions.

## **PROVIDE MULTI-YEAR CONTRACTS**

Multi-year contracts will enable nonprofit providers to better staff their programs, build their capacity, and respond to community needs. Currently, there are seven nonprofits that provide services through the GO Repair! program. NHCD staff recommends a multi-year contract, beginning in FY 2019-2020. The initial contract would be for one year, with the option for three additional one-year terms. Any contract extension would be contingent upon (1) performance; and (2) funding availability. The total contract term would run the course of the 2018 affordable housing bond.

Assuming these recommendations are implemented, the anticipated spending plan for the GO Repair! program is as follows:

**ANTICIPATED SPENDING PLAN AND PRODUCTION ESTIMATE FOR  
GO REPAIR! PROGRAM**

Year	Funding	Home Repairs
Fiscal Year 2018-2019	\$2 million (in addition to existing \$2 million allocation)	222
Fiscal Year 2019-2020	\$5 million	208
Fiscal Year 2020-2021	\$6 million	250
Fiscal Year 2021-2022	\$7 million	292
Fiscal Year 2022-2023	\$8 million	333

In total, the GO Repair program will serve more than 1,300 low- and moderate-income households over the life of the bond. The GO Repair! Program will contribute to the community’s goal of 600 home repairs each year, as articulated in the *Strategic Housing Blueprint*.





# ACQUISITION AND DISPOSITION STRATEGY



# ACQUISITION AND DISPOSITION STRATEGY

Several Austin City Council resolutions, the *Strategic Housing Blueprint*, *Uprooted*, the People’s Plan, and the Anti-Displacement Task Force recommendations identify acquisition and disposition as an important tool to help Austin meet its affordable housing goals.<sup>1</sup> Acquisition and disposition strategies include: land banking, development of publicly owned lands, and acquisition and preservation of multifamily units and mobile home parks. In November 2018, Austin voters approved \$250 million in general obligation bonds for affordable housing investments, including acquisition and disposition. The City needs a strategy for acquiring land, multifamily units, and mobile home parks to deploy the newly approved bond funds and implement the plans and resolutions mentioned above. See the Funding Sources and Resource Needs chapter for information on staff resources needed to implement the strategy.

The intention of the acquisition and disposition strategy is for the City, through the AHFC, to enhance the work community partners are doing to rehabilitate, construct, and manage affordable housing. The acquisition strategy leverages resources to:

1. Acquire land that will be attractive for current or future affordable housing development
2. Preserve smaller multifamily buildings

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1) Resolutions 20180823-076, 20130117-054, 20140417-049, 20140626-100, 20160204-038, 20160616-035, 20161013-005, 20161013-008, 20160303-019, 20161103-045, and 20170323-052

3. Support the work of organizations that provide mobile home park residents with capacity building and financing to preserve their mobile home parks

AHFC will use one of two general approaches when acquiring property or buildings:

1. Acquire and develop land or acquire and manage existing housing units, as organizational capacity permits
2. Work with partners to acquire, develop, and manage properties where AHFC can benefit from partnerships in performing these activities

This chapter outlines the acquisition and disposition strategy AHFC will use to identify, acquire, and develop properties for affordable housing, and the acquisition criteria AHFC will use to assess those properties. It also outlines the options for acquisition and disposition, and the implementation steps for each option.



Wildflower Terrace

## IDENTIFYING POTENTIAL PROPERTIES

To identify properties for potential acquisition, AHFC will use the following approaches:

1. Assess properties owned by public entities including the City, County, State, & Federal governments, and school districts.
2. Identify opportunities to co-locate new housing with existing public facilities, such as libraries, schools, or public buildings.
3. Utilize internal staff or an external real estate broker to identify off-market properties (such as properties with expiring subsidies) and appropriate on-market properties, taking care not to compete with other affordable housing developers in the market.

## ASSESSING THE SUITABILITY OF POTENTIAL PROPERTIES FOR ACQUISITION

Properties will be assessed for potential acquisition using the criteria adopted in the Council District and Corridor Goals in the *Blueprint* and Implementation Plan. The criteria include: total unit production for each Council District; unit production within High Opportunity areas as defined by Opportunity 360; unit production within areas at Risk of Displacement as defined by *Uprooted*; unit production within one quarter-mile of high frequency transit routes; unit production within one half-mile of Imagine Austin centers and corridors; unit production within one half-mile of a corridor improved through the Mobility Bonds; and unit production to improve geographic dispersion of affordable units.

Other non-locational criteria will be used to guide decision making, including: maximizing deep levels of affordability, ensuring long-term affordability periods, and creating multiple-bedroom units.

Other elements will also be assessed when making acquisition decisions, including:

- For land acquisition, the feasibility of developing or preserving affordable units on the site and opportunities for community partnerships to leverage funds
- For vacant properties, site characteristics such as location, zoning, size, development constraints, and local market conditions will be considered to determine the most appropriate type of housing development
- For building acquisition, building location, condition, number of units, rent levels, and costs to rehabilitate and maintain, and the ability of a partner to own and manage larger complexes
- For mobile home park preservation, the park's location, size, rent levels, and ability of a resident-owned cooperative or a partner to own and manage the park

## ACQUISITION OPTIONS

This section describes the types of land or existing buildings that AHFC could acquire through this strategy, as well as AHFC's approach for preserving existing mobile home parks. More details on these options are discussed in the next section: Steps to Implement the Acquisition & Disposition Strategy.

### LAND ACQUISITION

Types of properties AHFC could acquire through the land acquisition program include:

1. Government-owned properties (state, local, ISD, etc.) set for dispossession where AHFC has Right of First Refusal
2. Properties for sale that may not yet be ripe for residential development, but are expected to be in time, such as in areas vulnerable to gentrification
3. Properties not on the market but may be acquired for affordable housing

4. Properties that have been on the market for a long time, where the City can alleviate barriers to development (such as brownfields, easements or right-of-way dedication, etc)

### **Land Acquisition Option 1: Land Banking**

This option may be used for land that staff expect will be ripe for residential development in the future, or for land in parts of town that staff expect to (re)develop in the future, using the *Uprooted* gentrification maps as a resource.

While affordable housing developers are adept at identifying land that ranks competitively for low income housing tax credits (LIHTCs), they may not be seeking opportunities in areas that do not yet score highly for tax credits, but that are expected to become competitive in future years. The City can assess properties with potential for high scores and identify sites for land banking that are likely to become ideal locations for residential development in the future.

AHFC's goal is to effectively develop property to create housing, but it is important to note not all properties will be disposed of quickly. Other cities' experiences (like Eugene, OR) with land banking programs indicate that properties can take several years to be developed. This is due to the time needed to complete any required surveys, environmental assessments, or other analyses; craft and release a solicitation to the development community; draw up and negotiate contracts, land use restrictions, or other legal documents; design the development; and ultimately construct the development. It is also worth noting that while the criteria staff will use to determine whether a property should be acquired do include high opportunity and late-stage gentrification elements, land in these areas may be more expensive than land in areas that are in the early stages of gentrification. See the Land Acquisition Criteria section for more information on the acquisition criteria.

### **Land Acquisition Option 2: Development through AHFC**

This option may be used for land that AHFC determines is feasible to develop in-house in the short term. Developments that would be typical of this approach include smaller developments that AHFC can undertake without entering into a partnership. These properties include privately or publicly owned parcels that can accommodate a small number of single family homes, or missing middle housing like duplexes, townhomes, and small multi-family developments.

AHFC would be able to develop units on these properties and place them in AHFC's Community Land Trust as ownership units, or in AHFC's rental portfolio as rental units, managed by a third party property manager.

### **Land Acquisition Option 3: Development through Competitive Solicitation Process**

This option will be used for land that AHFC purchases with the intention of immediately offering it to developers through a formal solicitation process, or for land that has been land banked until conditions are more favorable for development. Developments that would be typical of this approach include larger developments and those that would contain a mix of uses and/or multiple types of community benefits, in addition to affordable housing. Other typical development types include large lots, multifamily units, and rental units. Single family homes in neighborhoods could also be constructed by partners.

Under this approach, a solicitation process would be launched to select a qualified developer to design and construct the units. AHFC could also work with other departments, including Economic Development, to assist in property development and achieve multiple community benefits.

The preference is for AHFC to retain ownership of the land and ground lease it to help maintain affordability by reducing property taxes. Ownership units would be placed in a land trust.

## Land Acquisition Option 4: Development through Non-Competitive Process

In some cases, AHFC may work with entities like Community Development Corporations to build, operate, and maintain units. This approach would be taken in situations where a qualified Community Development Corporation with capacity and experience is able to construct and maintain units on land in their service area.

### BUILDING ACQUISITION

To maximize available funding and preserve existing units, AHFC will focus its building acquisition strategy on smaller apartment buildings with less than 50 units, ensuring that funds are focused on preserving the affordability of units rather than making substantial repairs to large, deteriorating complexes. Larger complexes are more expensive to purchase and operate, and property management and maintenance for large complexes requires significant organizational capacity. Further, investors and entities like the Affordable Central Texas strike fund (ACT) focus on large complexes (with larger returns on investment), but do not tend to acquire smaller complexes; thus, this strategy would complement the work of ACT and similar entities.

Upon acquisition, AHFC would own the buildings and contract with an external property manager to manage the units. AHFC is considering employing a Right of First Refusal option in 4% Low Income Housing Tax Credit deals in Austin. This option would be inserted into agreements on future projects that seek a resolution of no objection from City Council (a requirement for 4% tax credits). See the Low Income Housing Tax Credit chapter for more information on the City's options related to enhancing 4% tax credit developments.

Though AHFC will not focus its acquisition strategy on larger multi-family complexes, AHFC will provide options for preserving larger complexes with expiring subsidies. AHFC can provide gap financing for, or enter into partnerships with, buyers that commit to maintaining the property as

affordable housing, including tenant cooperatives and nonprofits. Gap financing and partnership agreements will be handled through the RHDA program, described in the **Bond Implementation** chapter. For information on the creation of a database to track units with expiring affordability periods and of a preservation network, see the **Preservation Chapter**.

### MOBILE HOME PARK PRESERVATION

AHFC can best deploy its mobile home park preservation strategy by funding and supporting organizations that are uniquely qualified to provide tenant capacity building, organizing services, and financing to tenants so they can own and maintain their existing mobile home parks. Identification of these organizations initially will be necessary to ensure the mobile home park can be operated and maintained into the future.

This option is recommended over AHFC purchasing and operating mobile home parks outright, as there are nationally recognized organizations with the experience, capacity, and financing to help residents organize, purchase, and manage their communities. This will enable owners of mobile homes to jointly own and manage the land on which their community sits, maintaining these parks in perpetuity and giving residents a direct role in the stewardship of their community.<sup>2</sup>

AHFC's role in this strategy will be to identify and partner with qualified organizations who will work with mobile home park residents to organize and cooperatively purchase their communities. AHFC can also provide gap financing to organized resident groups and partners to help them acquire mobile home parks. Fully implementing the Tenant Notification and Relocation Assistance Ordinance by establishing financial assistance to income-eligible households and ensuring properties operating as mobile home parks have appropriate zoning will also aid mobile home park residents.

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*2) Staff evaluated outright acquisition & maintenance of mobile home parks by AHFC per Resolution 20180823-076. However, as discussed above, AHFC recommends financing resident cooperatives organized by groups with this expertise.*

# STEPS TO IMPLEMENT THE ACQUISITION & DISPOSITION STRATEGY

## PART 1: LAND ACQUISITION

The following section outlines the steps AHFC will take when acquiring and developing land for affordable housing.

### Land Acquisition Option 1: Land Bank / Hold (Long Term)

#### Phase I: Identification, Purchase, Holding

##### Step 1: Identify land

- I. Use NHCD Real Estate staff, City of Austin Office of Real Estate Services, or outside broker contracted with AHFC to identify properties (off- and on-market), and/or assess publicly owned properties brought to our attention
- II. Use criteria to determine whether land is suitable for purchase (see Land Acquisition Criteria section for more information)

##### Step 2: Purchase land

- I. AHFC can purchase outright or partner with the City's Office of Real Estate Services
- II. If purchase price exceeds \$300,000, AHFC Board (i.e. Austin City Council) approval is required prior to purchase

##### Step 3: Set up records

- I. Place in Affordable Housing Inventory
- II. Set up maintenance contracts (mowing, insurance, etc)
  - A. May be long term (land banking) or shorter term (AHFC development or competitive solicitations from outside developers)

#### Phase II: Analysis for Development

AHFC will conduct annual assessments of all properties in the land bank to determine if any properties are ripe for development and should be positioned for development through a competitive solicitation process, non-competitive process, or developed by AHFC outright.

AHFC will consider market conditions, developer interest, and the criteria described in the Land Acquisition Criteria section.

Properties moved from the land bank to the development phase can be developed under Land Acquisition Option 2 (Develop through AHFC), Land Acquisition Option 3 (Develop through Competitive Process), or Land Acquisition Option 4 (Develop through Non-Competitive Process)

### Land Acquisition Option 2: Develop through AFHC

#### Phase I: Identification and Purchase

**AHFC identifies and purchases land. See Steps 1-3 above.**

#### Phase II: Pre-Development

##### Step 4: Design and Permitting

- I. Obtain Design Team through AHFC Rotation List (to be established) or solicitation process
- II. Due Diligence
  - A. Site surveys (trees, topography, etc)
  - B. Environmental review
- III. Design and Public Outreach
  - A. Design team develops potential concepts/ layouts to give the community context about what the site could accommodate
  - B. Work with Council office to develop an engagement strategy
  - C. Provide information to neighborhood and Council office and get feedback
- IV. Permitting

### ***Phase III: Development and Post-Development***

#### **Step 5: Site Development**

- I. Obtain contractor through AHFC Rotation List (to be established) or solicitation process
- II. If contract price exceeds \$300,000, AHFC Board (i.e. Austin City Council) approval is required prior to contract execution
- III. Execute contract
- IV. Monitor construction

#### **Step 6: Targeted Marketing / Lottery**

- I. Employ affirmative marketing strategies to market units
- II. Conduct lottery for units

#### **Step 7: Stewardship / Monitoring**

- I. For rental properties, ensure units are included in AHFC property management portfolio
- II. For ownership properties, conduct buyer training
- III. NHCD staff, or an external entity that NHCD contracts with, will monitor units to ensure affordability requirements are met throughout the affordability period
  - A. To aid in monitoring and stewardship of CLT units, an online payment system will be needed to allow homeowners to submit ground lease payments to AHFC electronically

### **Land Acquisition Option 3: Develop through Competitive Process**

#### ***Phase I: Identification and Purchase***

**AHFC identifies and purchases land. See Steps 1-3 above.**

### ***Phase II: Solicitation***

#### **Step 4: Request for Proposal (RFP) for development**

- I. Issue RFPs for development of eligible properties on an annual basis; determination of a property's eligibility for development is based on how it meets the acquisition criteria, whether there is developer interest, and the state of the market in that area
- II. RFP will be sent to relevant registered vendors in the City's system, through the department's email list, and to other known affordable housing developers
- III. Feasibility studies may be conducted on the properties to provide information on what the market can bear in that area. RFPs will contain minimum requirements for numbers of affordable units, affordability levels, and affordability periods, with an emphasis on deep levels of affordability and long term affordability periods
- IV. AHFC will work with Council offices and community stakeholders to develop an engagement strategy
  - A. Stakeholders will be able to provide feedback on community benefits during the RFP development process

#### **Step 5: Award RFP**

- I. Following an evaluation of the responses, City Council awards RFP to successful respondent

### ***Phase III: Development and Post-Development***

#### **Step 6: Create Partnership/Establish Ground Lease Agreement**

- I. There are multiple options for transferring property or creating partnerships once the RFP has been awarded. The preferred method of handling property ownership will be to have AHFC retain ownership of the land and ground lease the property to a partner who

will manage the units to ensure long term affordability.

- A. AHFC will place any needed land use restrictions or restrictive covenants on the property
- B. AHFC Board (i.e. Austin City Council) approval will be obtained for any ground leases, sales, or transfers of land

### **Step 7: Monitoring**

- I. NHCD staff, or an external entity that NHCD contracts with, will monitor units to ensure affordability requirements are met throughout the affordability period
  - A. To aid in monitoring and stewardship of CLT units, an online payment system will be needed to allow homeowners to submit ground lease payments to AHFC electronically

### **Land Acquisition Option 4: Develop through Non-Competitive Process**

#### ***Phase I: Identification and Purchase***

**AHFC identifies and purchases land. See Steps 1-3 above.**

#### ***Phase II: Partnership***

**Step 4: AHFC will bring in a qualified partner to develop and maintain the housing units**

- I. AHFC will set up partnership agreements with qualified entities that meet partnership criteria (see Land Acquisition criteria section) and can demonstrate the capacity and experience needed to develop and maintain affordable housing units
- II. These partnership agreements would occur in specific circumstances, such as when a small lot is available for single family development in a Community Development Corporation's service area

### ***Phase III: Development and Post-Development***

#### **Step 5: Create Partnership/Establish Ground Lease Agreement**

- I. AHFC will retain ownership of the land and ground lease the property to the partner.
  - A. AHFC will place any needed land use restrictions or restrictive covenants on the property, including required income levels for affordable units
  - B. AHFC Board (i.e. Austin City Council) approval will be obtained for any ground leases, sales, or transfers of land

#### **Step 6: Development**

- I. The partner constructs and operates the affordable housing unit

#### **Step 7: Monitoring**

- I. NHCD staff, or an external entity that NHCD contracts with, will monitor units to ensure affordability requirements are met throughout the affordability period
  - A. To aid in monitoring and stewardship of CLT units, an online payment system will be needed to allow homeowners to submit ground lease payments to AHFC electronically

## **PART 2: BUILDING ACQUISITION**

The following section outlines the steps AHFC will take when acquiring existing multifamily buildings for affordable housing.

### ***Phase I: Identification and Purchase***

#### **Step 1: Identify multifamily buildings to purchase**

- I. Use NHCD Real Estate staff, City of Austin Office of Real Estate Services, or outside broker contracted with AHFC to identify buildings (off- and on-market), including those with expiring affordability periods
  - A. Utilize Data Hub database to track properties with expiring affordability periods. See Preservation chapter for more information
- II. Use building acquisition criteria to determine whether AHFC should purchase building

#### **Step 2: Purchase property**

- I. AHFC can purchase outright or partner with the City's Office of Real Estate Services; or
- II. AHFC can provide gap financing for acquisition and rehabilitation to community partners and developers through the Rental Housing Development Assistance and Homeownership Development Assistance programs. See the Bond Implementation chapter for more information
- III. If purchase price exceeds \$300,000, AHFC Board (i.e. Austin City Council) approval is required prior to purchase

### ***Phase II: Operations***

#### **Step 3: Set up records**

- I. Add to Affordable Housing Inventory
- II. Set up property in AHFC property management portfolio

#### **Step 4: Complete any necessary repairs**

- I. Through AHFC rotation list or solicitation

#### **Step 5: Develop plan for achieving tenant income compliance**

- I. A technological solution is needed to create a system that can comprehensively track property and building acquisitions and serve as a monitoring and compliance system
- II. Set affordability requirements for units
- III. May conduct lottery to fill any empty units
- IV. All existing tenants are able to stay, and renew leases at rents affordable to their incomes, or at market-rate if there are any households whose incomes exceed the affordable unit income requirements
- V. When any of these over-income households move out, the unit will be converted to an affordable unit reserved for an income-eligible household
  - A. Focusing on properties with market-rate affordable rents will help minimize the number of over-income households

#### **Step 6: Monitoring**

- I. NHCD staff, or an external entity that NHCD contracts with, will monitor units to ensure affordability requirements are met throughout the affordability period

## PART 3: MOBILE HOME PARK PRESERVATION

The following section outlines the steps AHFC will take to preserve mobile home parks for affordable housing.

### ***Phase I: Identification and Purchase***

#### **Step 1: Identify mobile home parks and partners**

- I. AHFC will work with partners, like nationally recognized nonprofits or resident cooperatives, to acquire mobile home parks they have identified
- II. AHFC will use the following criteria to determine eligibility:
  - A. Site standards: the mobile home park is not located in creek buffers, floodplains, easements that prohibit development, or Airport Overlay zones prohibiting residential uses. The condition of the site and of the units on the site, the cost of needed infrastructure or repairs, and the cost of maintenance will also be considered.
  - B. Partnership criteria: there is an interested partner with capacity, experience, financing, and risk tolerance sufficient to ensure the successful acquisition and stewardship of the property.

#### **Step 2: Provide gap financing to partner**

- I. Use the Homeownership Development Assistance program to provide needed financing or enter into partnerships with the entity purchasing the park
- II. Add to Affordable Housing Inventory

### ***Phase II: Post-Purchase***

#### **Step 3: Monitoring**

- I. NHCD staff, or an external entity that NHCD contracts with, will monitor units to ensure affordability requirements are met throughout the affordability period



# ACQUISITION AND DISPOSITION CRITERIA

AHFC will use criteria to guide its assessment of whether to acquire land and buildings for affordable housing. These criteria are shown in the following tables.



## LAND ACQUISITION CRITERIA

ELIMINATION CRITERIA	DESCRIPTION
<i>First traunch - if a parcel does not meet these, analysis stops</i>	
<b>Meets Minimum Developable Area Threshold</b> <i>subtract out land that is in:</i> creek buffer 100-year floodplain easements prohibiting development Airport Overlay zones prohibiting residential	The parcel must contain enough buildable area to accommodate development
<b>Surrounding Uses are Appropriate for Housing</b>	Consider whether property is surrounded by industrial uses, late night music venues, etc
<b>Minimum Development Standards</b>	Ensure that parcel meets required development standards (including frontage, access, lot size, etc) & can be feasibly developed given development regulations (such as impervious cover, height, building cover, & other restrictions)
LOCATION CRITERIA	DESCRIPTION
<i>Second traunch - how does a parcel's location contribute to meeting Blueprint goals?</i>	
<i>Unless otherwise noted, see the Austin Strategic Housing Blueprint Implementation Plan &amp; Atlas of Existing &amp; Historical Conditions for more information on these goals</i>	
<b>Proximity to Transit</b> within 1/4-mile of high frequency transit within 3/4-mile of transit	
<b>Imagine Austin Activity Centers &amp; Corridors</b> within 1/2-mile of center or corridor	
<b>2016 Mobility Bond Corridors</b> within 1/2-mile of corridor	
<b>Council District Goals</b>	
<b>High/Emerging Opportunity</b>	
<b>Gentrifying Area</b>	As defined by the University of Texas report, <a href="#">Uprooted</a>
<b>Opportunity Zone</b>	From 2017 <a href="#">Federal Tax Reform Bill</a> , which directs private investment to dis-invested areas
<b>Access to Amenities</b> School Quality Healthy Food Jobs	--within attendance zone for elementary that met standard --within a mile of a healthy food retail location (identified by City of Austin's Office of Sustainability " <a href="#">Food Access in Austin</a> ")
<b>Qualified Allocation Plan for Low Income Housing Tax Credits</b> Underserved Area Proximity to Urban Core Revitalization Plan Area or Opportunity Area Qualified Census Tract	The Qualified Allocation Plan provides guidance & scoring criteria for LIHTCs in Texas. It is subject to change annually. The criteria here focus on a proposed project's location. There are many other criteria in the QAP focused on project-level characteristics. For more information, see the <a href="#">2019 QAP</a> .

OTHER CRITERIA	DESCRIPTION
<b>Current and Future Zoning</b>	While rezoning is possible, parcels with appropriate zoning for residential development are preferred
<b>Surrounding Zoning</b>	Consider zoning of surrounding properties, including residential uses
<b>Past Land Uses</b>	Consider whether the area is a (potential) brownfield and whether clean up may be necessary. Environmental investigations will be done as part of AHFC's due diligence before purchase
<b>Challenges or Opportunities</b>	Are there unique challenges or opportunities facing development on the site? Examples: Opportunity-- a property is designated in a master plan for affordable housing; Challenge -- a property currently houses several City departments that would need to be relocated
<b>Partnerships</b>	Are there partners willing to participate in development of the parcel? Are there opportunities for co-location of public services?
<b>Financing</b>	Consider cost per square foot; ensure there is adequate funding available for purchase

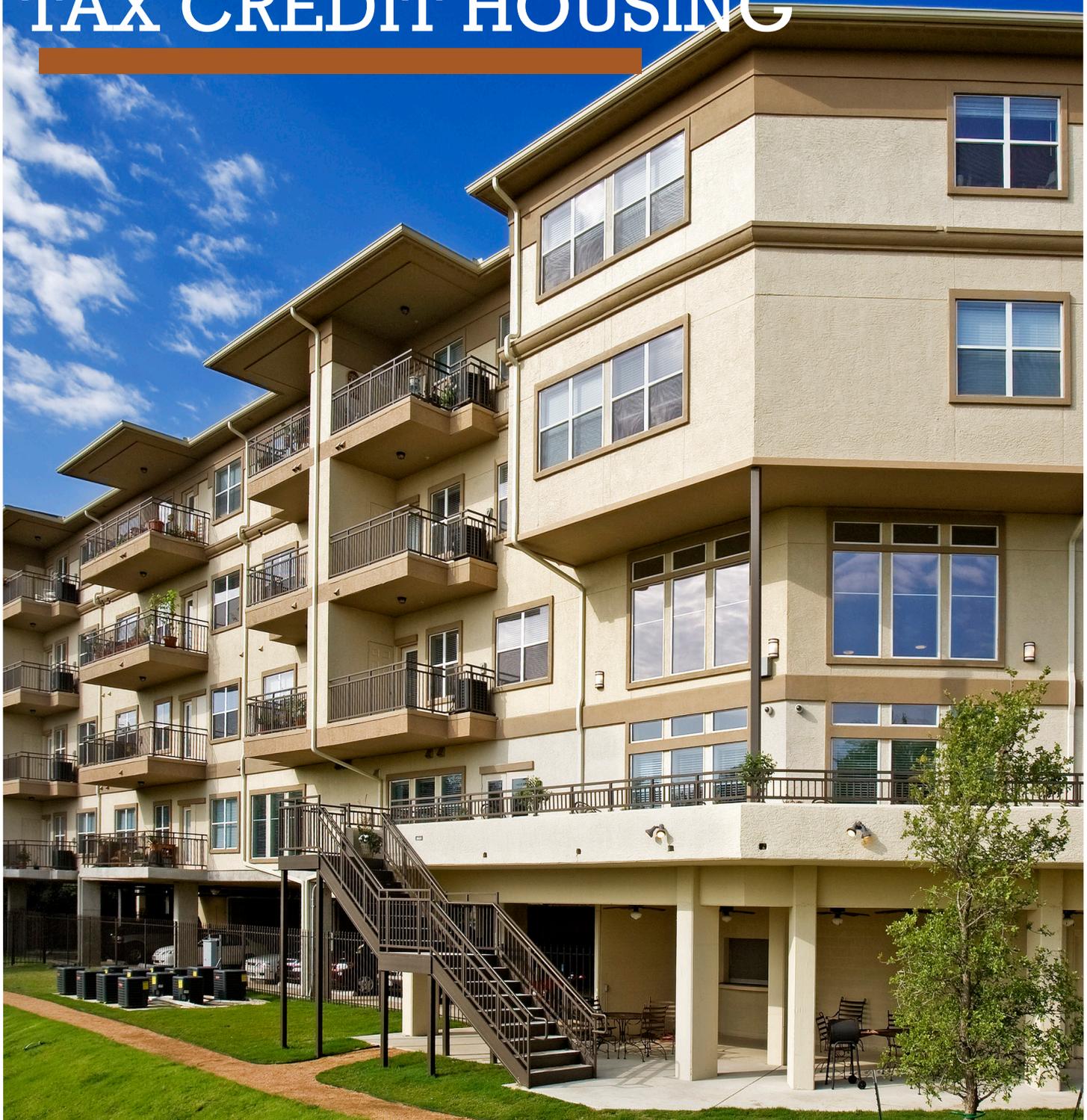
## BUILDING ACQUISITION CRITERIA

ELIMINATION CRITERIA	DESCRIPTION
<i>First traunch - if a parcel does not meet these, analysis stops</i>	
<b>Current Rents Meet Affordable Levels</b>	Focusing on properties with market-rate affordable units will help ensure that affordable units are being preserved and reduce the number of over-income tenant households living at the property. <a href="#">Resolution 20180823-076</a> stipulates that the preservation strategy should focus on buildings with rents affordable to households up to 60% MFI.
<b>Units are Not Located In:</b> creek buffer 100-year floodplain easements prohibiting development Airport Overlay zones prohibiting residential	
<b>Surrounding Uses are Appropriate for Housing</b>	Consider whether property is surrounded by industrial uses, late night music venues, etc
<b>Minimum Development Standards</b>	sic v Ensure that property meets required development standards so that repairs and rehabilitation will be possible. (For example, if a property is not a legal lot, substantial rehabilitation may not be possible.)
<b>Number of Units</b>	AHFC has the capacity to acquire and operate properties of up to 50 units each. Larger complexes are better acquired and operated by other entities.
LOCATION CRITERIA	DESCRIPTION
<i>Second traunch - how does a parcel's location contribute to meeting Blueprint goals?</i>	
<i>Unless otherwise noted, see the Austin Strategic Housing Blueprint Implementation Plan &amp; Atlas of Existing &amp; Historical Conditions for more information on these goals</i>	
<b>Proximity to Transit</b> within 1/4-mile of high frequency transit within 3/4-mile of transit	
<b>Imagine Austin Activity Centers &amp; Corridors</b> within 1/2-mile of center or corridor	
<b>2016 Mobility Bond Corridors</b> within 1/2-mile of corridor	
<b>Council District Goals</b>	
<b>High/Emerging Opportunity</b>	
<b>Gentrifying Area</b>	As defined by the University of Texas report, <a href="#">Uprooted</a>
<b>Opportunity Zone</b>	From 2017 <a href="#">Federal Tax Reform Bill</a> , which directs private investment to dis-invested areas
<b>Access to Amenities</b> School Quality Healthy Food Jobs	--within attendance zone for elementary that met standard --within a mile of a healthy food retail location (identified by City of Austin's Office of Sustainability " <a href="#">Food Access in Austin</a> ")

UNIT CRITERIA	DESCRIPTION
<i>Third traunch - how do unit characteristics contribute to meeting Blueprint goals?</i>	
<b>Population Served</b> Less than 20% MFI Housing First Permanent Supportive Housing Family Friendly / Multi-Bedroom Accessibility	These criteria are documented in the Rental Housing Development Assistance/Ownership Housing Development Assistance program guidelines and application.
<b>Expiring Subsidy</b>	Does the property have an expiring affordability period or subsidy? For larger multifamily developments, AHFC would look to partners to acquire and maintain the property. See the Acquisition & Disposition Strategy chapter and the Low Income Housing Tax Credit chapter for more information on AHFC's role in preserving these units.
BUILDING CRITERIA	DESCRIPTION
<i>Fourth traunch - in what condition is the existing structure?</i>	
<b>Building Condition</b>	Does the building meet federal Housing Quality Standards?
<b>Cost of Repairs</b>	
<b>Cost of Maintenance</b>	
OTHER CRITERIA	DESCRIPTION
<b>Challenges or Opportunities</b>	Are there unique challenges or opportunities facing the site?
<b>Partnerships</b>	For larger multifamily developments, AHFC will look to partners to acquire and maintain the property. AHFC will assess the capacity, interest, experience, and risk tolerance of any potential partners.
<b>Financing</b>	Consider cost per square foot; ensure there is adequate funding available for purchase



# LEVERAGING OPPORTUNITIES TO ENHANCE LOW-INCOME TAX CREDIT HOUSING



# LOW INCOME HOUSING TAX CREDIT OPPORTUNITIES

The Low Income Housing Tax Credit (LIHTC) program is the most prolific affordable housing program in the nation. In Texas, it is administered by the Texas Department of Housing and Community Affairs (TDHCA) and represents the largest source of affordable housing in Austin. The program provides equity financing for affordable rental housing developments in the form of tax credits, which are sold to entities such as banks and other financial institutions to raise development funds. The LIHTC program consists of two separate types of award, the Four Percent (4%) Award and the Nine Percent (9%) Award. Both programs require the City adopt a resolution prior to the application for LIHTC award being submitted; however, due to the differences between these two programs, staff has developed an application and review processes specific for each type.

Staff has also developed these review processes in response to ongoing Austin City Council discussions about how best to approach decision making related to these LIHTC resolutions. Staff recognizes City Council is interested in bringing more tax credit developments closer to the central city, in areas rich with amenities, transit access, and other opportunities. The processes outlined below seek to address that interest and provide some general guidance on how the City can leverage its role in the LIHTC process to enhance tax credit projects for residents.

## 9% LIHTC APPLICATIONS

It must first be noted that the reference to 9% in the name of the awards is a bit of a misnomer. These awards provide approximately 70% of the necessary funding for the completion of an affordable housing development. For this reason, these awards are highly competitive. Additionally, these tax credits are awarded annually on a regional basis; only two developments within the City of Austin have historically been awarded per year. In 2018, however, because of changes to the federal allocation of tax credits, the City of Austin saw four successful tax credit developments: Housing Authority of the City of Austin's (HACA) Pathways at Chalmers Court, Foundation Communities' Waterloo Terrace, Housing Authority of Travis County's Travis Flats, and Cambrian East Riverside.

The 9% LIHTC process begins in November, following the publication of the Qualified Allocation Plan (QAP). The QAP undergoes an annual review and amendment process, setting priorities and scoring for tax credit applications. The annual amendment process has the result of some projects scoring well in one year, but not as well in other years. Developers review potential projects through the new QAP and identify competitive projects to move through the application process. The completed application requires substantial investment of time and resources, so only those that may score well will move forward.

To submit a complete application to TDHCA, developers must secure two points of support from the local jurisdiction. First, the jurisdiction must commit funding assistance for any project for consideration of the 9% award. The City of Austin has determined that this commitment is

provided in the form of waived fees through the S.M.A.R.T. Housing Program. Applicants must secure S.M.A.R.T. Housing certification prior to submitting the application. Second, the jurisdiction must provide resolutions of support passed by the governing body.

The resolution process begins shortly after the annual publication of the QAP. NHCD publishes a call for applications for resolutions of support from the City of Austin in late November. Following the application deadline, normally in mid-December, staff reviews all applications for completeness and begins to draft the Requests for Council Action. As the developers continue to review their proposals and refine their applications, projects are identified as non-competitive and begin to drop out of the pool of potential applications requesting resolutions from the City of Austin. In early January, the TDHCA deadline for pre-application serves as a milestone which thins the field even further. Following the pre-application deadline, staff submits the RCAs to the agenda office and begins compiling the Development Information Packets (DIPs), which provide overviews of the proposed development and its location in relation to the *Blueprint* goals, and the requested resolutions.

Requests for resolutions may include up to six separate resolutions per development. All applications to TDHCA must include the resolution of support from the local governing body as well as a resolution acknowledging that the locality has more than twice the state average of units per capita supported by Housing Tax Credits or private activity bonds at the time the Application Round begins. If a proposed development is within one linear mile of a development that received an award within the last three years or if a proposed development is proposed within a Census Tract that has more than 20% Housing Tax Credit Units per total households, the application must include a resolution from the locality allowing this application to move forward. Finally, the City may adopt a resolution for any development that is within an area that was once vital and has lapsed into a situation requiring concerted revitalization, and where a

plan has been developed and executed. The City may adopt an additional resolution in support of only one development application per concerted revitalization area identifying the development as contributing more than any other to the revitalization efforts of the city. If more than one application falls within a concerted revitalization area, staff will recommend which development contributes more to the concerted revitalization efforts and recommend the additional resolution. This recommendation will be based upon which development scores higher on the RHDA scoring criteria. After Council adopts the resolutions, the developments continue through the TDHCA process, including scoring and underwriting. The process concludes the following summer, when TDHCA confirms the final awards at their July meeting.

If a development requires additional financial assistance, an application may be submitted through the RHDA program. Applications for RHDA funding may be submitted at any time; however, the review and decision process for RHDA assistance has been aligned with the TDHCA award process. Applications for developments competing for the 9% award will be reviewed following the submission deadline in late April. If a development is awarded the 9% Tax Credit and requires RHDA assistance, Council will be notified of the awards and be able to take action on granting the RHDA funding in August.

## **4% LIHTC APPLICATIONS**

Not as competitive as the 9% awards, the 4% awards provide approximately 30% of a project's development costs and are typically paired with Private Activity Bonds (tax-exempt bond financing issued through state or local housing finance agencies). Historically, development projects seeking the 4% Tax Credit award have submitted requests for resolutions of no objection from the City of Austin on a rolling basis. These requests have been processed and presented to the City Council with limited review by staff. Going forward, staff

intends to be much more involved in the review process.

Staff will meet with each applicant to address any issues and discuss potential concerns that may arise at the public hearing. Applicants will also be encouraged to discuss the proposals with the office of the Councilmember in whose district the development is located. If the development is in the Extraterritorial Jurisdiction, applicants will be encouraged to reach out to the office of the Councilmember most adjacent to the property. Once the application has been finalized, staff will post it to the website and initiate the public hearing process for Council.

It is important to note that once a developer submits a request for resolution, extensive site selection work has already been completed; by this stage, it is too late to persuade developers to choose an alternate site for the proposed project. If the resolution of no objection is not granted, the project will not qualify for the 4% Tax Credit awards. Therefore, the decision to adopt the resolution is not a choice of this site or a different site; rather, it is a choice of whether to enable this development to receive funding to make the project possible. If Council chooses not to adopt the resolution of no objection, the development is unlikely to be built. Because of this, it is crucial to have clearly identified and accessible affordable housing priorities, such as those articulated in the *Blueprint*, as well as a clear and transparent approval process.

### **WITHIN THE CITY LIMITS**

Similar to the RHDA and OHDA programs, staff has developed a review cycle for all requests for resolutions. Applications will be received on a continuous basis until the intake deadline passes; any application received after the intake deadline will be rolled into the next cycle. Staff will review all applications to ensure completeness and then process each application through the Housing Development Assistance application scoring criteria. Applications that do not achieve a minimum score will be processed, but this will

serve as a starting point for conversations with the developer.

For developments within the city limits, the City has more opportunity for influence, versus developments outside of Austin. The *Blueprint*, along with the numerical goals defined by affordability level, establishes locational and population-specific goals. The Housing Development Assistance application converts these goals into quantitative metrics based upon the district level goals presented in the Implementation Plan. When a proposed project fails to achieve a minimum threshold score, staff can work with the developer to improve the proposal. For example, if a development does not lie within the desired proximity of transit, the developer can include policies and programs to mitigate this impact. Similarly, staff can discuss, for example, the need for childcare services or additional amenities and/or services that the area may lack. Additionally, an application can be improved by providing housing opportunities for underserved populations, such as those exiting homelessness, those with sensory or mobility impairments, or multi-generational households.

Proposed improvements to developments often bring significant costs that may not be absorbed by the project budget. In this case, the RHDA program can be used to provide gap financing for capital expenses. The development would have to go through the RHDA review process and would have to be approved by the AHFC Board for funding, but this may allow developers to enhance their projects even further. Additionally, this increased review and coordination may incentivize developers to pursue developments in areas that may not score very well with TDHCA but are in desirable areas according to the *Blueprint*.

## IN THE EXTRATERRITORIAL JURISDICTION

For developments that fall outside city limits, the City has limited ability to influence the design of the development or the services provided, as RHDA/OHDA funds cannot be expended for developments outside city limits. In these situations, any development seeking a resolution of no objection must also secure a similar resolution from the county of jurisdiction. Staff will coordinate with both Travis and Williamson Counties to be aware of any applications that may come to the City in the near future. NHCD staff will work with County staff to identify issues raised and resolved during the County process and to address potential issues that could be raised at the public hearing before the City Council.

Applications for developments in the Extraterritorial Jurisdiction will follow the same application process as those within the city limits. Applications received prior to a quarterly deadline will be collected and reviewed for completion. Staff will assess each application and identify potential issues that may arise at the public hearing by coordinating with county staffs. Applicants will still be required to meet with staff and reach out to the Councilmember whose district is most adjacent. Prior to submitting the request for council action, NHCD staff will work with applicants to resolve any issues that have been identified by county staff, council members, or could be discerned through the Development Information Packets. Upon presenting the application to Council, NHCD staff will inform Council of steps taken by the developer to address any issues as well as any outstanding issues that have been identified.





# PRESERVATION STRATEGY



# PRESERVATION STRATEGY

The *Austin Strategic Housing Blueprint* recognizes the need to combine production of new housing units with preservation of existing affordable units to achieve its goals. Past reports like the 2008 *Preserving Affordable Housing in Austin* and the 2014 *Taking Action: Preservation of Affordable Housing in the City of Austin* and recent actions and initiatives such as City Council Resolution No. 20180823-076 and the Austin Housing Conservancy strike fund also demonstrate the importance of preserving the existing affordable housing stock. The plan for preservation of existing affordable housing is central to the comprehensive implementation of the *Blueprint*.

The Preservation Strategy is interwoven throughout many activities of the *Strategic Housing Blueprint* Implementation work plan, as it employs a diverse set of approaches to address preservation of existing affordable housing units.

## PRESERVATION OF MULTIFAMILY UNITS AND MOBILE HOME PARKS

The elements of the Acquisition and Disposition Strategy focused on building acquisition and mobile home park preservation infuse the City's acquisition decisions with a preservation objective. The City through AHFC will utilize a set of criteria to make decisions on acquiring existing housing units, ranging from single units to multifamily developments. While AHFC can develop the capacity to operate and maintain smaller multifamily complexes, community partners are better positioned to acquire and maintain larger complexes, especially those with expiring affordability periods. In these cases, AHFC

can provide gap financing or ground lease the land to partners who will manage the property as affordable housing.

The Acquisition and Disposition Strategy also includes objectives for preserving mobile home parks. As with larger multifamily complexes, AHFC can provide gap financing or enter into partnerships with qualified organizations that help tenant organizations acquire the property from the owner and set up a stewardship structure to collaboratively maintain their community. This approach allows for experienced, nationally recognized organizations to build capacity among mobile home park tenants and owners, who can then take a direct role in maintaining and preserving their mobile home developments in perpetuity.

For more information on these elements, see the Acquisition and Disposition Strategy chapter.

## PRESERVATION OF LOW INCOME HOUSING TAX CREDIT PROPERTIES

To implement the *Blueprint*, the City is incorporating strategies and recommendations from numerous reports that have been generated by community stakeholders, including the Anti-Displacement Task Force's recommendations, and two reports published by the University of Texas at Austin: *Uprooted*, a study of gentrification in Austin; and a forthcoming study regarding preservation strategies for Low-Income Housing Tax Credit developments in Texas.

A "warning system" or tracking database is one strategy recommended in these reports that the City can use to proactively identify properties with

expiring affordability periods. This database can be used to track affordability expirations on other properties as well, including those that are City-funded or incentivized. For more information on this strategy, see the “Warning System” section below.

The City can also develop a network of actors who can utilize the information from the preservation database to purchase at-risk properties and maintain their affordability. This activity is discussed in the above-referenced community reports, and is also included in NHCD’s Displacement Mitigation Strategy.

## FUNDING FOR REHABILITATION OF HOUSING UNITS

AHFC can provide gap financing or enter into partnerships with entities looking to acquire and rehabilitate affordable rental housing with units serving households at or below 50% MFI through its RHDA Program. Similarly, the OHDA Program can serve the same purpose for ownership housing, serving households up to 80% MFI. Finally, home repair programs such as HRLP can be expanded to offer more no-interest, forgivable repair loans to help low-income homeowners stay in place.



With the passage of the 2018 affordable housing bond referendum, additional funding will be infused into these programs to generate and preserve a larger number of affordable units than ever before. Read more about these programs in the Affordable Housing Bond Implementation chapter.

## DISPLACEMENT MITIGATION STRATEGIES

The Preservation Strategy will also be informed by the activities included in the Displacement Mitigation Strategy, as preservation of existing affordable housing helps lower-income residents remain in their neighborhoods. Working with the City’s Innovation Office, NHCD synthesized recommendations from community reports into 15 strategies for mitigating displacement in Austin. For more information, see the Displacement Mitigation Strategy chapter.

## “WARNING SYSTEM” / TRACKING EXPIRING AFFORDABILITY PERIODS

### WHY TRACK PROPERTIES WITH EXPIRING AFFORDABILITY PERIODS?

The *Blueprint* sets a goal to create and preserve 60,000 affordable housing units in Austin over 10 years. To assess the community’s progress towards meeting that goal, and to gauge the number of affordable units needed in the future, the City through the AHFC needs to determine the number of existing affordable units in Austin. AHFC needs to track the number of affordable units that are created and the number of affordable units that are lost due to expiring affordability periods.

A “warning system”, or database that documents affordability period expiration dates, will enable AHFC and community partners to track where and how many existing affordable units are at risk of losing their affordability requirements in coming years. The *Uprooted* report identifies a tracking database as a potential strategy for preserving affordable housing in a community

and indicates the database would be most useful if combined with other strategies like the creation of an affordable housing preservation network. The preservation network would be comprised of community-based organizations, tenant groups, and government agencies. This strategy is included in the Displacement Mitigation Strategy. For more information, see the Displacement Mitigation Strategy chapter.

### **WHAT ROLE WILL THIS SYSTEM PLAY IN PRESERVING AFFORDABLE HOUSING?**

Tracking housing at risk of losing an affordability requirement could help AHFC and community partners identify opportunities for acquisition and preservation of units. AHFC will assess properties identified through this system using its Building Acquisition Criteria before making the decision to acquire these properties. The criteria includes: location, deferred maintenance and repairs, and financing and cost. In most cases, the purchase, rehabilitation, and maintenance of a property with expiring subsidies will require a very large investment of City funds, and will have a higher per-unit cost than the City can realize using other strategies like gap financing for construction of new units. However, the tracking database is also useful for community partners looking to purchase and preserve affordable units. Community partners could range from national organizations with large affordable housing portfolios to local nonprofit organizations, such as Foundation Communities and Affordable Central Texas, to CDFIs and mission-driven REITs. AHFC can partner with these entities and provide gap financing to stretch its limited acquisition funds. For more information on AHFC's role in preserving larger multifamily developments, see the Acquisition & Disposition Strategy chapter.

### **WHAT RESOURCES WILL BE NEEDED?**

To implement a database for tracking expiring affordability periods, AHFC can build on the existing Data Hub, a dynamic database of all Austin-area income-restricted housing units from four primary sources: the City of Austin, the Housing Authorities of the City of Austin and of Travis County, and

TDHCA. Each entity is responsible for updating their property information within the database, adding new properties, and removing expired ones. As the database contains the expiration date and subsidy source, NHCD can track all units in the database, including LIHTC properties, and work with partners to explore potential plans to maintain their affordability. To be more comprehensive, the Data Hub needs to be updated to capture information on expiring affordability periods and subsidies from additional sources as well, including the National Housing Preservation Database and the U.S. Department of Housing and Urban Development. Additional staff would be required to collect this information, track expiring properties, and work with the preservation network to help identify partners to potentially preserve properties identified through the database.

Basic Info Verified (complete / total): 182 / 519  
 Tenant Criteria Verified (complete / total): 34 / 519

[NEW PROPERTY](#)

ID	Name	Address	City	Zip	Total Income Restricted Units	Contact	Data Source(s)	Funding Source(s)	Assigned To	Flags	
2857	Test Property	New Test Street Address	test city		800	6303478805				Basic Info Unverified Tenant Criteria Unverified	<a href="#">VIEW</a>
2856		567 Testing Dr.			600					Basic Info Unverified Tenant Criteria Unverified	<a href="#">VIEW</a>
2391	Solaris Apartments	1601 Royal Crest Drive	Austin	78741	562	512-444-7797	GAGHAA			Basic Info Verified Tenant Criteria Unverified	<a href="#">VIEW</a>
2855	test property	1234 Test Ave.	Austin	78702	500	test				Basic Info Verified Tenant Criteria Unverified	<a href="#">VIEW</a>
2735	Rebekah Baines Johnson Center	21 Waller Street	Austin	78702	491	512-476-6051	GAGHAA			Basic Info Verified Tenant Criteria Verified	<a href="#">VIEW</a>
2693	Silver Springs Apartments	12151 N IH 35	Austin	78753	360	512-719-3134	GAGHAA			Basic Info Verified Tenant Criteria Verified	<a href="#">VIEW</a>
2626	Villas del Sol	1711 Rutland Drive	Austin	78758	295	512-837-0840	AHI GAGHAA	NHCD		Basic Info Verified Tenant Criteria Verified	<a href="#">VIEW</a>

*The Data Hub is a dynamic data portal documenting income-restricted housing from the City of Austin, Housing Authority of the City of Austin, Housing Authority of Travis County, and the Texas Department of Housing and Community Affairs. It tracks information on expiring subsidies and affordability periods.*



# LEGISLATIVE CHANGE STRATEGY

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#ATXhousing

New developments  
are a great place to  
get funds to balance  
what they're doing  
to rental prices in  
Austin

1. Affordable Housing

There sh

Affordable  
Housing leads to  
more opportunities for  
the workforce

# LEGISLATIVE CHANGE STRATEGY

NHCD collaborates regularly with local, state and national stakeholders, including affordable housing developers, advocates, and counterparts in other cities to identify legal or legislative barriers that may need to become a part of the evolving legislative change strategy. Such discussions are held regularly and may focus on changes to the Texas Department of Housing & Community Affairs Qualified Allocation Plan (QAP), better coordination with other large Texas cities to promote legislative changes that help meet affordable housing goals, or simply coordinating to identify proposed legislative changes that may make it difficult to achieve goals in the *Blueprint*. NHCD will continue to identify opportunities to make minor legislative changes that may have significant impact in reaching *Blueprint* goals.

## LEGISLATIVE CHANGE RECOMMENDATIONS IN THE BLUEPRINT

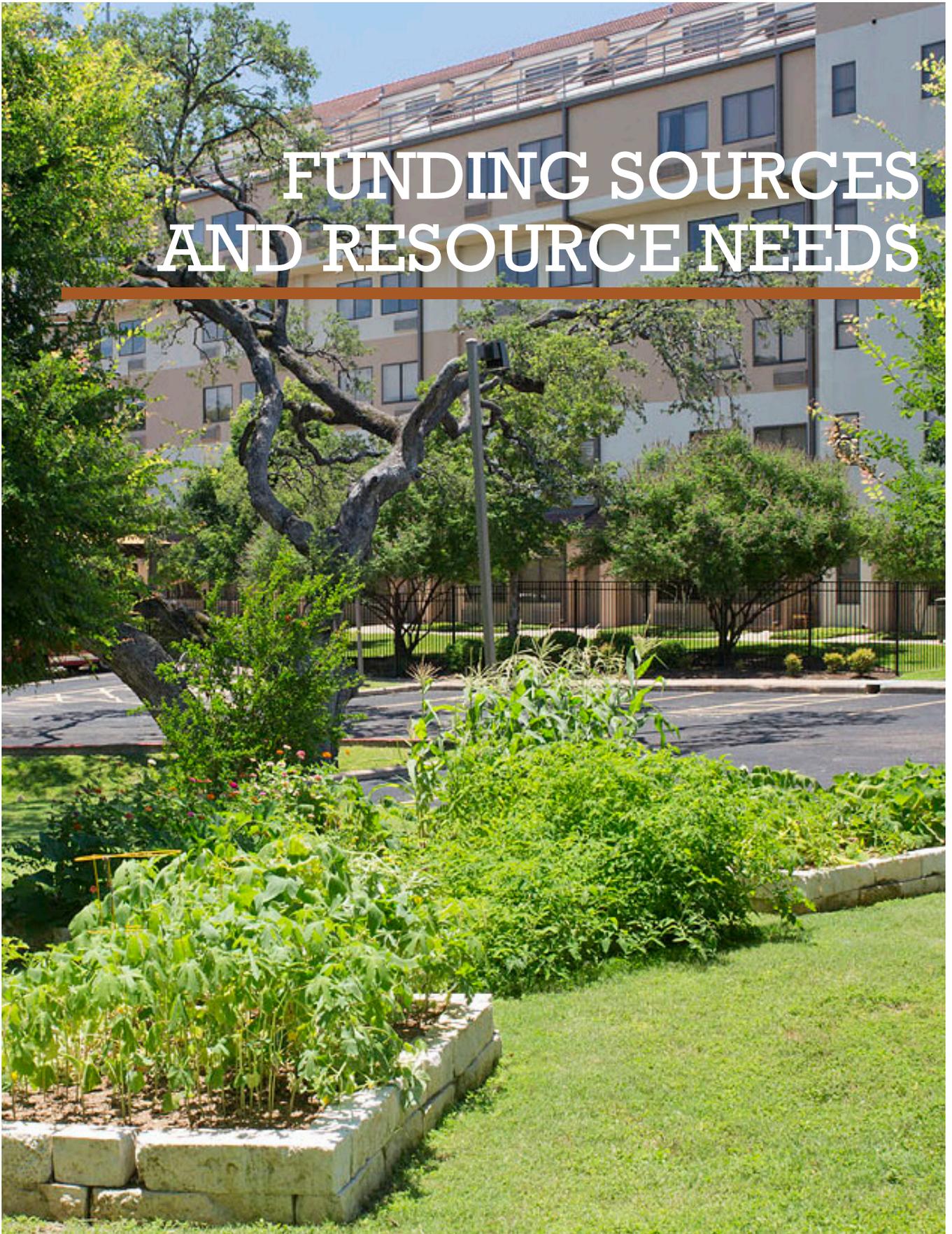
The *Blueprint* identifies and recommends several actions that would require legislative change. In addition, many actions recommended in the *Blueprint* could potentially be more effective if legislative changes occurred at the federal, state or even the local level. While some legislative changes recommended in the *Blueprint* would enable the City of Austin to be able to address affordable housing needs in the long term, a number are not feasible at present. NHCD will continue to coordinate with the Intergovernmental Relations Office to be apprised of legislative changes at the federal and state level that may impact the City of Austin and its ability to address Austin’s affordability challenges, and to strategize about potential legislative changes the City may want to pursue.



Community conversations on the *Blueprint*

# FUNDING SOURCES AND RESOURCE NEEDS

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# FUNDING SOURCES AND RESOURCE NEEDS

## FUNDING SOURCES AND NEEDS

NHCD receives funding from diverse sources with differing requirements, resulting in a complex funding strategy. Funding can be divided into three main categories: federal, local and fee contributions.

Federal funds from the U.S. Department of Housing and Urban Development (HUD) include Community Development Block Grants (CDBG) and HOME Partnership funds. Local funds include General Funds, Housing Trust Fund (HTF), Housing Assistance Fund, GO Bonds, and Tax Increment Reinvestment Zone (TIRZ) funds. The department also receives fee contributions from density bonus programs, development agreements, Planned Unit Developments (PUD), and Municipal Utility Districts (MUD).

The use of federal HUD funds is determined by Consolidated Plan outreach and has significant grant administration requirements and investments. The use of GO Bonds and TIRZ funds are defined by requirements. Fee contributions are deployed through existing programs or by contract, but often have restrictions. Local HTF monies can be used for displacement mitigation activities, homelessness, AHFC property and other miscellaneous needs not able to be funded through other sources.

To manage the diverse funding sources and differing requirements, the department is modifying its funding strategy to use single a funding source for each program or investment, when possible. This enables the department to be responsive to funding source restrictions and requirements.

FY2018-2019 Housing Trust Fund appropriations can fund short term contracts and pilot

displacement mitigation activities. However, new or expanded programs will require additional funding. NHCD is working with the FSD on a funding plan for the next budget cycle to provide additional appropriations for NHCD. The departments are also collaborating to explore the potential to use Tax Increment Financing (TIFs) for affordable housing and the potential to fund a multifamily property tax exemption program (Neighborhood Empowerment Zone).

## HTF RECOMMENDATIONS

The annual HTF amount is currently determined through a time-intensive process of calculating the property taxes on former publicly-owned land. A 2013 presentation from the Financial Services Department (FSD) to Council recommended changing the strategy to instead set aside a specific amount per year for the HTF. The presentation noted that increased ongoing funding of the HTF could reduce reliance on cyclical bond elections, reducing interest and debt issuance costs. In addition, a multi-year, cumulative funding source would allow for longer-term planning for funds.

Staff in NHCD and FSD recommend changing the HTF calculation methodology to replace the current time-intensive process to calculate the HTF with a new policy to set a target amount for an annual General Fund transfer. Staff recommends that Council establish a timeline for achieving a target amount.

## FUNDING MATRIX

The table on the next page shows a comprehensive list of NHCD funding sources and how they are restricted by use and geography.

# NHCD Funding Matrix

	FUND	Inflows/ Sources	Outflows/ Restrictions		Strategies for Funding/Deployment
			Use Restrictions/ Ordinance	Geographic Restrictions	
Federal	Community Development Block Grant (CDBG)	Federal Grant from Housing and Urban Development (HUD)	<a href="#">CDBG Regulations</a>		Outlined in Consolidated Plan and Annual Action Plan
	Home Investment Partnership Grant (HOME)	Federal Grant from Housing and Urban Development (HUD)	<a href="#">HOME Regulations</a>		
	Emergency Solutions Grant Program (ESG)	Federal Grant from Housing and Urban Development (HUD)	<a href="#">ESG Regulations</a>		
	Housing Opportunities for Persons With Aids Grant (HOWPA)	Federal Grant from Housing and Urban Development (HUD)	<a href="#">HOPWA Regulations</a>		
	Section 108 Loan Program	Federal Loan Guarantee Program of the CDBG Grant from Housing and Urban Development (HUD)	<a href="#">Section 108 Regulations</a>		
	CDBG-DR	Administered by the Texas Government Land Office (GLO)	Disaster Specific		
Local	General Fund	City of Austin General Fund allocation			Used primarily to fund FTEs and Department Operations
	GO Bonds	City of Austin General Obligation Bond allocation			Program delivery RHDA/OHDA
	University Neighborhood Overlay (UNO) Density Bonus	Fees collected from developments within the University Neighborhood Overlay. Fee is \$1 per net rentable square foot if residential and \$2 for hotel, condo, or group use.	Must be used to fund development where at least 30% of the bedrooms or units benefit households at or below 50% of the median family income (MFI) for a period of not less than 40 years. Ordinance 20140213-056	Restricted for use within the University Neighborhood Overlay.	Annual funding varies dependent on program participation  Funds deployed through RHDA
	Housing Assistance Fund (HAF)	Collection of monitoring/issuer fees, property sales/partnership fees			3 FTEs, maintenance expenses, insurance

# NHCD Funding Matrix

	FUND	Inflows/ Sources	Outflows/ Restrictions		Strategies for Funding/Deployment	
			Use Restrictions/ Ordinance	Geographic Restrictions		
Local	Homestead Preservation Reinvestment Zone No. 1	10% of increased tax revenue in district - working to increase to 20%	Must be used to benefit households at or below 70% MFI, with 25% of funds benefitting households 30% MFI and below, and 50% of funds benefitting households at 50% MFI or below.	Restricted for use within HPRZ No. 1.	Annual funding based on the appreciation of tax revenues in the district, concluding in 2025 with an estimated total amount of \$11,600,000.  Funds deployed through RHDA and OHDA programs	
	Tenant Relocation Fee (potentially forthcoming)	Fee paid by applicants that trigger Land Development Code Section 25-1-715 (A)	Fee must be used to provide tenant relocation assistance to eligible tenants. Ordinance No. 20160901-050	Restricted to the site from which the payment was made.		
	Housing Trust Fund (HTF)	Transfer-In From General Fund	100% of tax revenue generated from developments built on formerly-owned City property.	Dedicated to preserving and creating reasonably priced housing. Ordinance No. 20151217-074		Displacement mitigation strategies (home repair, emergency rental assistance, deeply affordable housing units to name a few)
		Downtown Density Bonus	Fees collected from developments within the downtown CURE Combining District. Fee is \$10/sqft bonus area for the Core/Waterfront District; \$5/sqft bonus area for the Lower Shoal Creek & Rainey Street District; \$3/sqft bonus area for all other districts.	Restricted to permanent supportive housing for low barrier approaches for the chronically homeless. Ordinance No. 20130627-105	N/A	Annual funding varies dependent on program participation  Funds deployed through RHDA/OHDA or via contract
		East Riverside Corridor Density Bonus	Fee-in-lieu of \$1/sqft paid for each additional square foot of bonus granted.	N/A Regulating Plan <a href="ftp://ftp.ci.austin.tx.us/npzd/Austingo/erc_reg_plan_adopted.pdf">ftp://ftp.ci.austin.tx.us/npzd/Austingo/erc_reg_plan_adopted.pdf</a>	N/A	Annual funding varies dependent on program participation.  Funds deployed through RHDA/OHDA

## NHCD Funding Matrix

	FUND	Inflows/ Sources	Outflows/ Restrictions		Strategies for Funding/Deployment	
			Use Restrictions/ Ordinance	Geographic Restrictions		
Local	Housing Trust Fund (HTF)	Transit-Oriented Development (TOD) District Density Bonus	Fee-in-lieu of \$12/sqft paid for each additional square foot of bonus granted.	Restricted to finance affordable rental and ownership units at or below 60% MFI for 40 years and 80% MFI for not less than 99 years, respectively. Ordinance No. 200902012-070	Restricted for use within 1/2- mile of each district.	Annual funding varies dependent on program participation.  Funds deployed through RHDA/OHDA
		North Burnet Gateway Density Bonus	Fee-in-lieu of \$7/sqft paid for each additional square foot of bonus granted.	Restricted to finance affordable rental and ownership units at or below 60% MFI for 40 years and 80% MFI for not less than 99 years, respectively. Ordinance No. 20090312-035	Restricted for use within 2 miles of the Braker Lane and Burnet Road intersection.	Annual funding varies dependent on program participation.  Funds deployed through RHDA/OHDA
		Planned Unit Development (PUD) Density Bonus		Determined by ordinance.	Determined by ordinance.	Annual funding varies dependent on program participation.  Funds deployed through RHDA/OHDA or as otherwise specified by PUD
		South Central Waterfront District Overlay Fee	Fee in lieu of affordable housing paid by developers accessing the South Central Waterfront District overlay	Fee is dedicated for 10 years to be used to provide affordable housing. In Draft <a href="http://www.ci.austin.tx.us/edims/document.cfm?id=262885">http://www.ci.austin.tx.us/edims/document.cfm?id=262885</a>	Restricted to within the South Central Waterfront District. After 10 years, the money could be used elsewhere in the city.	Funds deployed through RHDA/OHDA

## NHCD Funding Matrix

	FUND	Inflows/ Sources	Outflows/ Restrictions		Strategies for Funding/Deployment	
			Use Restrictions/ Ordinance	Geographic Restrictions		
Local	Housing Trust Fund (HTF)	425 Riverside PUD	\$6 per bonus square foot of building constructed.	N/A Ordinance No. 20180510-083	Restricted for use within South Central Waterfront Regulating District or within 2 miles south of the southern border of the regulating	Lump sum payment of approximately \$1,500,000.  RHDA/OHDA
			Lump sum payment of \$50,000.	Reserved for the South Central Austin Community Development Corporation.		
		The Grove PUD	100% of annual property tax.	Restricted to the reimbursement of the owner of The Grove PUD with the maximum reimbursement of \$13,150,000.	Restricted for use in the Grove PUD until the developer is reimbursed at 100% of the negotiated incentive amount.	Annual funding in perpetuity based on the appreciation of the property's tax revenues per PUD Requirements
		Southshore PUD	Installment payment totaling \$2,038,665.	\$1,019,333 restricted for affordable housing for seniors.	\$1,019,333 restricted for use within the East Riverside/Oltorf Combined Planning Area.	Paid in three installments with \$1,359,110 currently outstanding.  RHDA/OHDA
		Camelback PUD	\$3 per gross square foot of buildings constructed on site.	N/A	Restricted for use in District 10 unless approved for use by City Council elsewhere.	Ongoing payments concluding at the completion of development resulting in an estimated total amount of \$1,500,000.  RHDA/OHDA
		Development Agreements (Chapter 380, Planned Unit Developments, Municipal Utility Districts)	Percentage of bonds issued by the district or a percentage of property or sales tax	Determined by ordinance.	Determined by ordinance.	Determined by ordinance
		Private Lateral	AWU allocation of funds	Program guidelines for scope of work		Referrals from AWU

## STAFFING NEEDS

To implement the *Blueprint* and deploy the 2018 affordable housing bond funds, NHCD will need to increase its capacity over the coming years with additional staff and contracts. Additional staff positions will be necessary for the department to manage or implement new and expanded housing and housing services programs, including displacement mitigation and preservation activities, and to ensure quality control for NHCD's service delivery.

Additional staff will be needed this fiscal year to begin to deploy the affordable housing bond funds. NHCD recommends the creation of these positions with the first bond appropriation action in 2019. The identified positions are:

- Capital Program Accountant to manage the accounting for \$250 million capital program
- Financial Analyst for Housing Development Assistance programs to facilitate application and loan processing
- Partnership Manager to manage developments in which AHFC is a partner as they progress through construction and leasing
- Project Manager to facilitate the process for land to be developed for affordable housing
- Private Activity Bond (PAB) Administrator to manage PAB sales for developments as they progress through construction and leasing

To undertake the activities listed in the One- to Two-Year *Blueprint* Implementation Work Plan and to ensure the short-term actions outlined in the Displacement Mitigation Strategy are achieved, NHCD will request additional staff as part of the FY 2019-2020 and future budget processes. The staff will create, implement and oversee new and expanded displacement mitigation, Community Land Trust, and preservation activities, and provide outreach, finance and procurement support for the department. In coming years, NHCD will request additional staff to be able to develop and expand programs.

## CONTRACTED RESOURCE NEEDS

NHCD will also need contracted resources to implement the activities outlined in the *Blueprint* and to ensure sufficient quality assurance and quality control over the upcoming years. Contracted resources could include legal services, economic and financial modeling, brokerage services, appraisals/surveyors, pre-design and design services, outreach services, marketing services, translation services, and auditing and monitoring services.



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