



Update on Resources and Initiatives to Address Affordable Housing

Rebecca Giello
Deputy Director, NHCD

Jonathan Tomko
Senior Research Analyst, NHCD



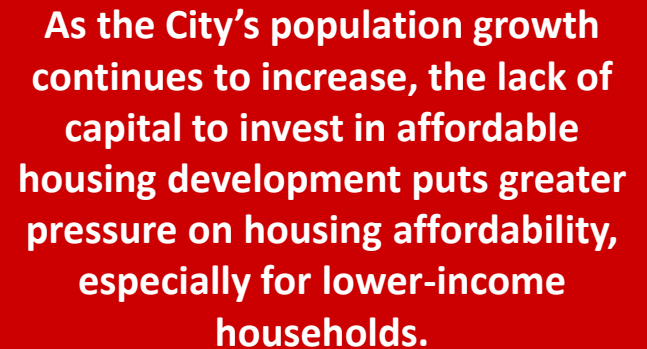
M Station on East MLK Jr. Blvd.



Wildflower Terrace
Affordable Housing - Mueller

Presentation Outline

1. NHCD's Departmental Mission and Goals
2. Definition of Affordable Housing and Household Affordability
3. NHCD Investment Plan: Program and activities
4. Gap Analysis and trends since 2006 G.O. Bond Approval
5. Funding Sources/Utilization
6. GO Bond Program Accomplishments
 - A. Geographic
 - B. Population
 - C. Return on Investment/
Indirect Economic Impact
 - D. Along the Housing Continuum



As the City's population growth continues to increase, the lack of capital to invest in affordable housing development puts greater pressure on housing affordability, especially for lower-income households.

NHCD's Departmental Mission and Goals

Mission:

To provide housing, community development and small business development services to benefit eligible residents, so they can have access to livable neighborhoods and increase their opportunities for self-sufficiency.

Goals:

- Create mixed-income communities, not concentrating low-income households in a single area, or specific development
- Preserve existing affordable housing, and
- Dispersing affordable units throughout the city



What is Affordable Housing and Household Affordability?

Affordable Housing:

Housing in which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities.

Definition from HUD



Household Affordability (Priority Program #6):

Household affordability is about the costs of housing, utilities, taxes and transportation.

Definition from Imagine Austin

Based on Median Family Income:

30% of Median Family Income:	\$15,400 for 1-person household; \$21,950 for a 4-person household
50% of Median Family Income:	\$25,650 for 1-person household; \$36,600 for a 4-person household
80% of Median Family Income:	\$41,000 for 1-person household; \$58,550 for a 4-person household

Per HUD as of December 2012 for the Austin-Round Rock-San Marcos MSA

NHCD Investment Plan

Homeless/ Special Needs

\$2,295,224

Homeless Services

- Shelter Operation
- Homeless Essential Services

Housing Opportunities Persons w/ AIDS

- Short-Term Rent, Mortgage and Utility
- Tenant-Based Rental Assistance
- Permanent Housing Placement
- Short-Term Supportive Housing
- Transitional Housing
- Supportive Svcs.

Child Care

Senior Services

Youth Services

Renter Assistance

\$1,0756,208

Tenant-Based Rental Assistance

Architectural Barrier Removal – Rental

Tenants' Rights Assistance

Homebuyer Assistance

\$684,163

Housing Smarts

Down Payment Assistance

Homeowner Assistance

\$4,784,226

Architectural Barrier Removal - Owner

Emergency Home Repair

Homeowner Rehabilitation Loan Program

Lead Hazard Control

Go Repair! Program

Holly Good Neighbor

Housing Developer Assistance

\$7,567,121

Rental Housing Development Assistance

Acquisition and Development

CHDO Operating Expenses Grants

Developer Incentive Based Programs

Commercial Revitalization

\$2,025,660

E. 11th and 12th St. Revitalization

Acquisition and Development
• Façade Improvement Program

Historic Preservation

Public Facilities

Parking Facilities

Small Business Assistance

\$350,000

Community Development Bank

Micro-Enterprise Technical Assistance

Neighborhood Commercial Management

Community Preservation & Revitalization

Affordable Rental Housing Supply Gap

750,500 people

307,000 households

54% renters
166,000 households

27% earn <\$20,000
45,000 households

v.

4% of rental units that are affordable
7,150 units

=

Gap of 37,600 Rental Units

Affordable Homeownership Supply Gap

750,500 people

307,000 households

46% owners
141,000 households

Renters earning <\$35,000
3% of detached units are affordable
10% of attached units are affordable

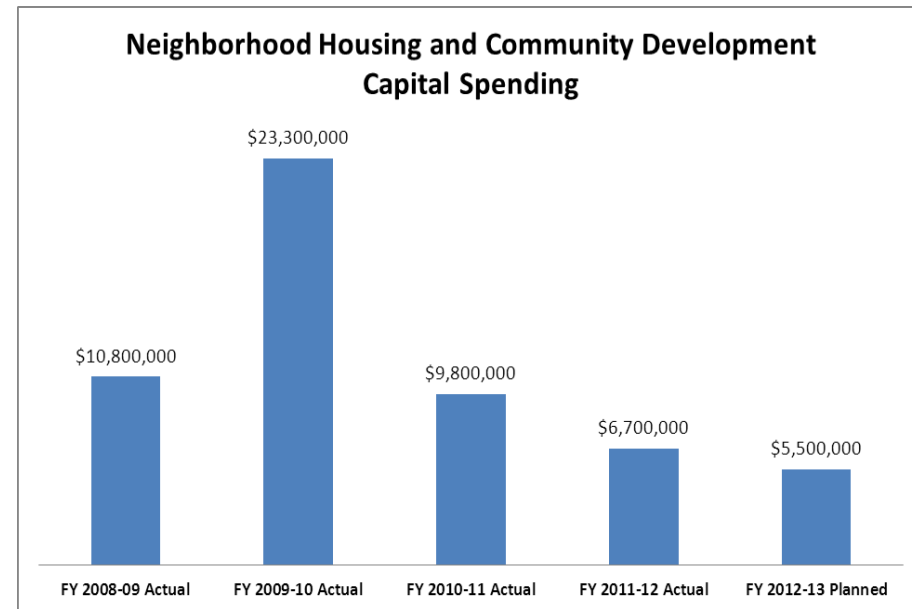
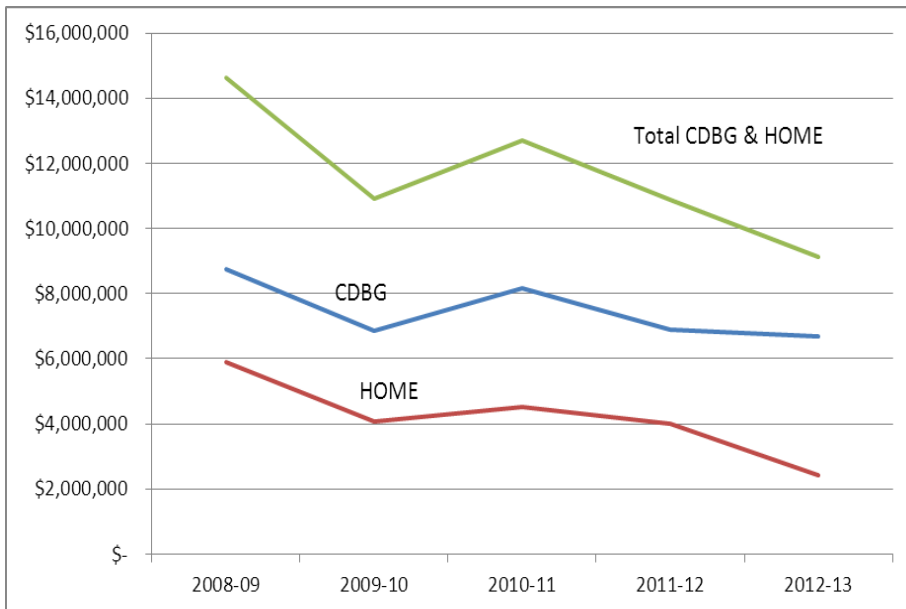
Renters earning <\$50,000
16% of detached units are affordable
36% of attached units are affordable

Renters earning <\$75,000
44% of detached units are affordable
64% of attached units are affordable

Supply Available to Renters wanting to be Owners

Funding Sources/Funding Utilization

To accomplish our mission, NHCD directly administers a variety of programs to serve the community's housing, community development and economic development needs and provides grant funding to various agencies and non-profit organizations.

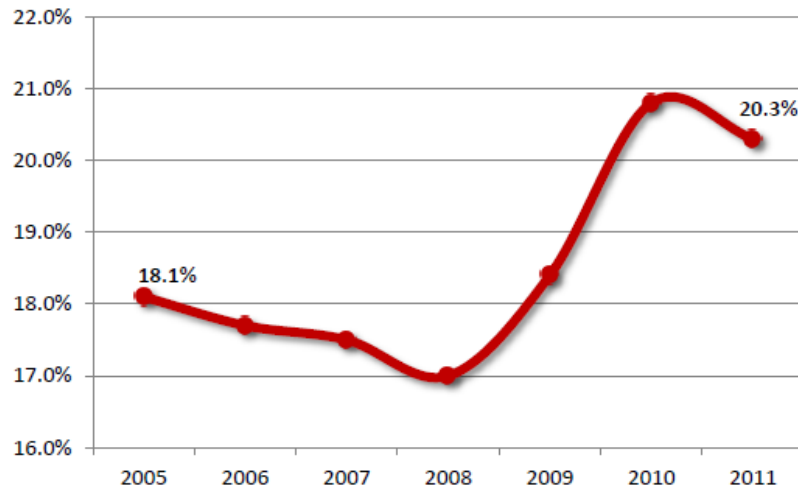


CDBG and HOME Federal funding levels have been reduced by almost 40% from amounts received 5 years ago

The entire \$55 million from the 2006 Affordable Housing General Obligation (G.O.) bond funds being expended or otherwise committed to projects

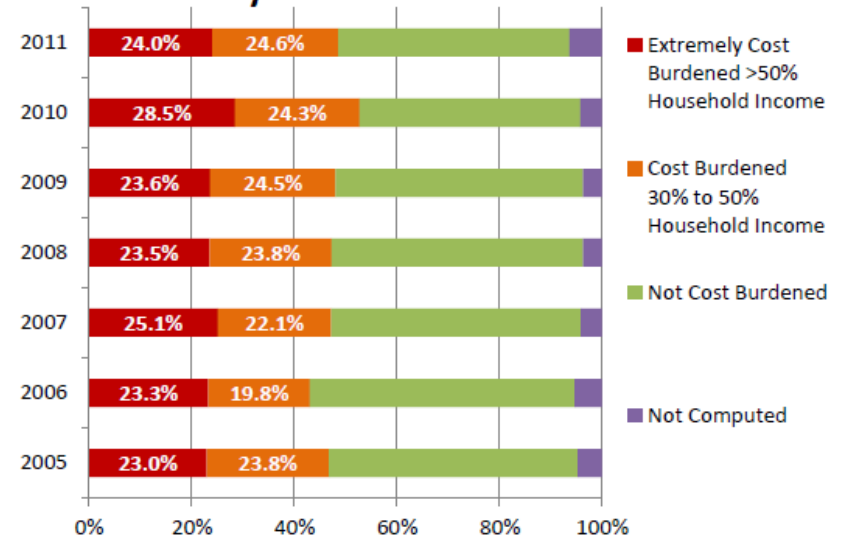
Trends Since 2006 G.O. Bond Approval

Austin's Individual Poverty Rate



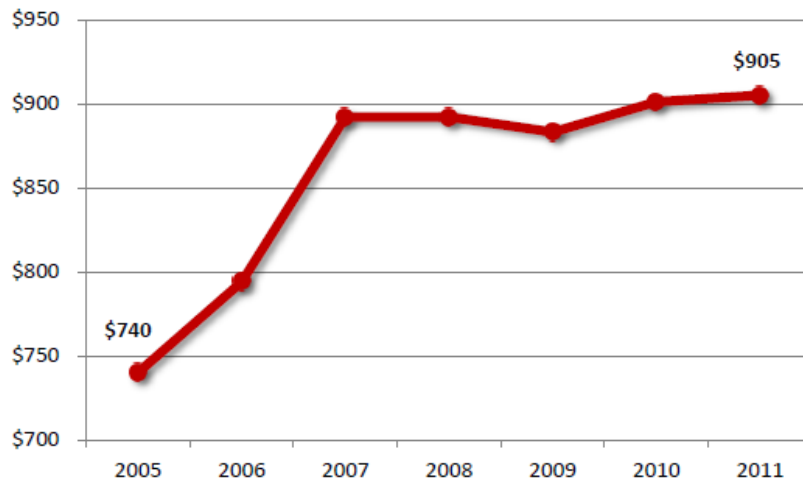
Source: 2005-2011 U.S. Census ACS 1-Year Estimates Table B17001

Extremely Cost Burdened Rental Trend



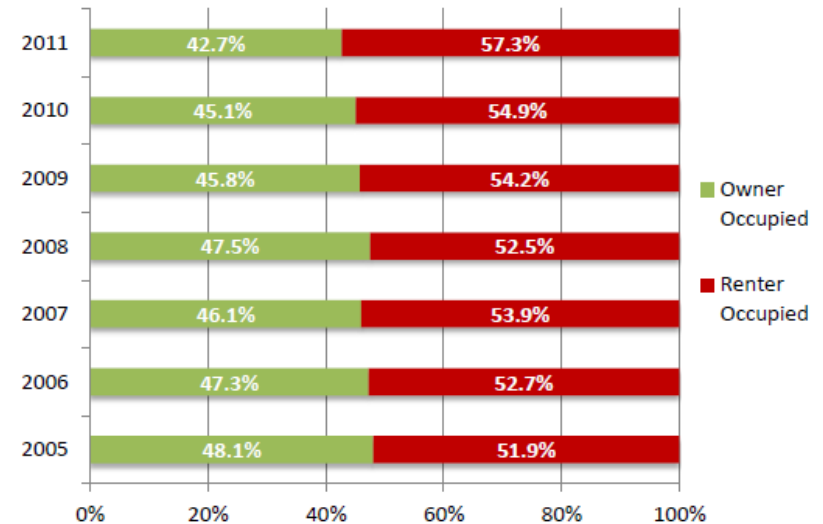
Source: 2005-2011 U.S. Census ACS 1-Year Estimates Table B25070

Median Gross Rental Rate Trend



Source: 2005-2011 U.S. Census ACS 1-Year Estimates Table B25003

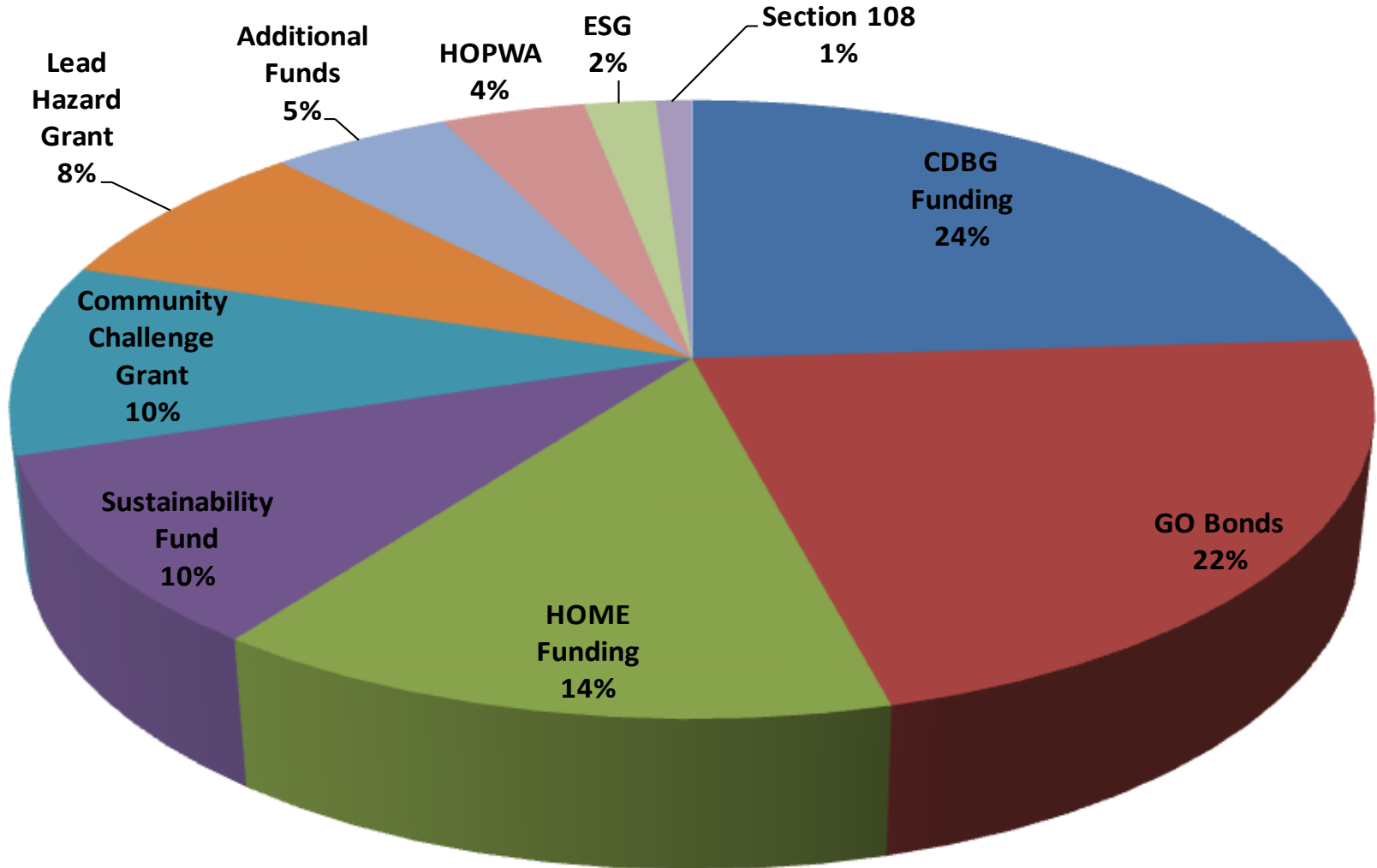
Homeowner vs. Rental Trend



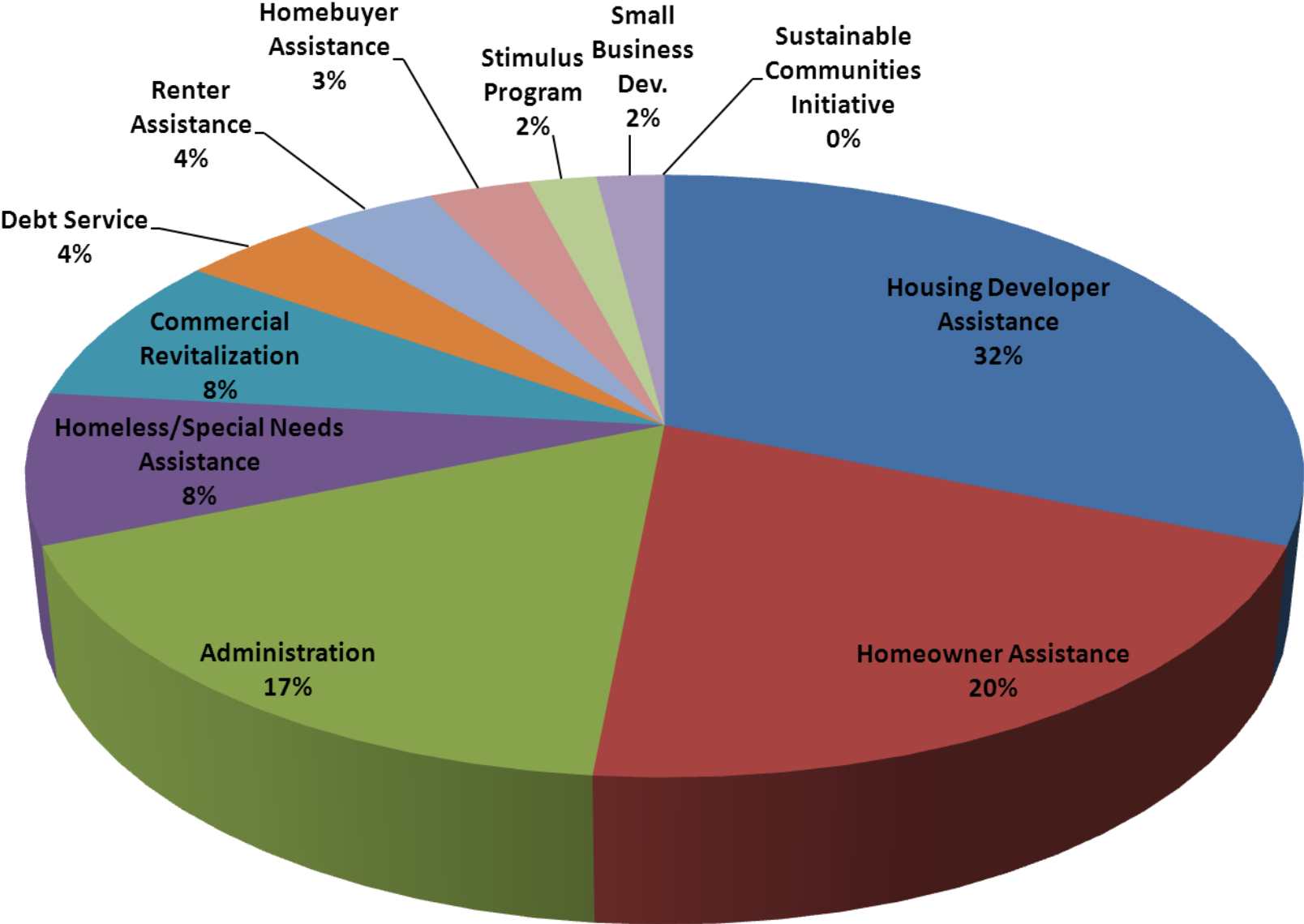
Source: 2005-2011 U.S. Census ACS 1-Year Estimates Table B25064

**ACCOMPLISHMENTS OF
AFFORDABLE HOUSING GENERAL OBLIGATION
BOND PROGRAM**

Sources of New Funds



Utilization of Funding Resources

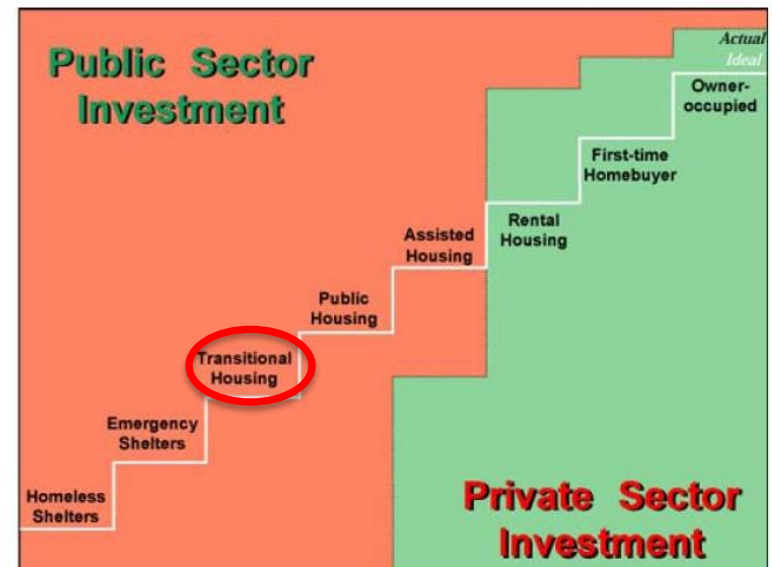


G.O. Bond Accomplishments Investments

Transitional Housing: Housing Continuum

- Austin's Housing Continuum is a key policy tool for classifying housing needs.
- The City funds programs and activities along the "steps" of the continuum.
- Other public and private sector partnerships are needed to provide the full spectrum of services– that ultimately moves an individual to self sufficiency.

Transitional Housing:



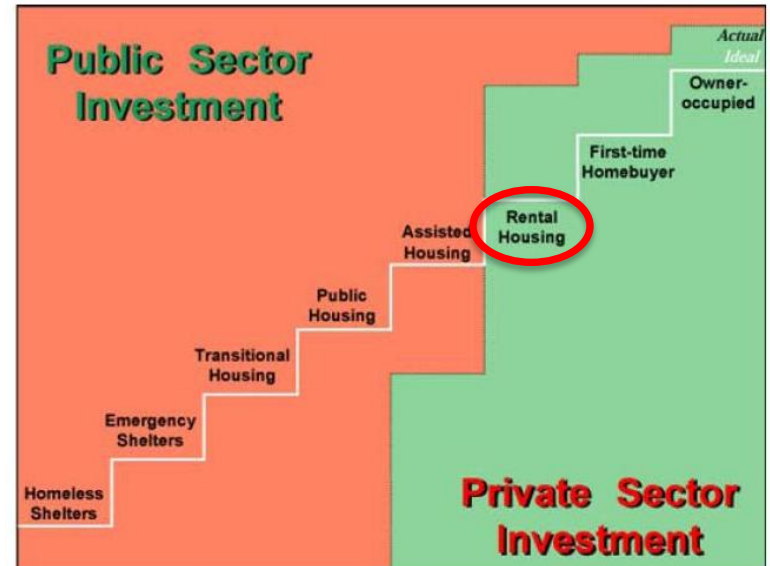
Over 500 Transitional or Supportive Units have been constructed or are in the process of being constructed with G.O. Bond funds

G.O. Bond Accomplishments Investments

Rental Housing: Housing Continuum

Rental Housing:

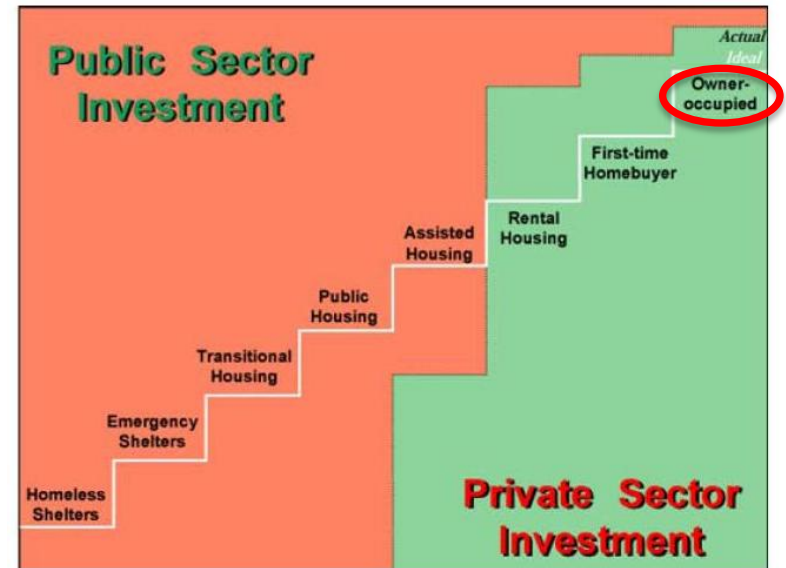
Over 1,600 affordable rental units have been constructed or are in the process of being constructed with G.O. Bond funds



G.O. Bond Accomplishments Investments

Owner Occupied: Housing Continuum

Homeownership Opportunities:



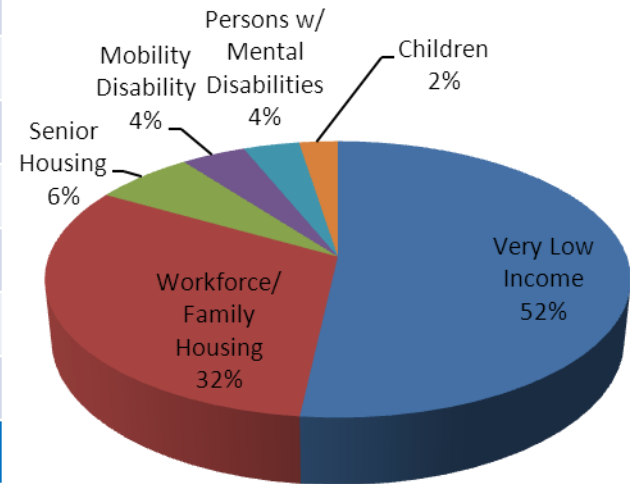
Over 900 affordable units for homeownership have been constructed are in the process of being constructed with G.O. Bond funds

G.O. Bond Accomplishments

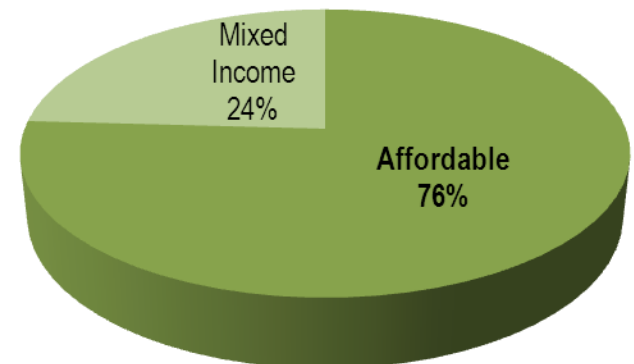
Subpopulations

Rental	Amount	Units
Very Low Income Persons/Families	\$21.5	869
Workforce/ Family Housing	\$11.2	529
Persons with Mental Disabilities	\$3.3	61
Senior Housing	\$3.0	108
Children (Austin Children's Shelter)	\$1.9	42
Mobility Disability	\$0.8	70
<i>Subtotal: Rental</i>	<i>\$41.7</i>	<i>1,679</i>
Homeownership	Amount	Units
\$4.6M – Repairs; \$8.7M – Buyers	\$13.3	914
<i>Subtotal: Affordable Units</i>	<i>\$55.0</i>	<i>2,593</i>
TOTAL – All Units		3,417
Balance Remaining from \$55.0M	\$0.0	

Rental Units by Beneficiary



Unit Affordability



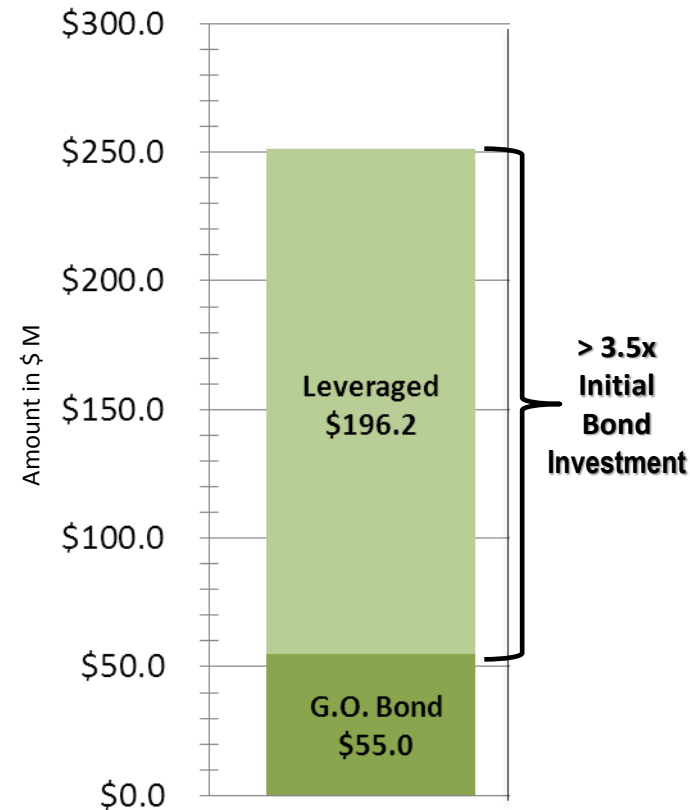
G.O. Bond Accomplishments

Return on Investment/Indirect Economic Impact

Rental	Leverage
Very Low Income Persons/Families	\$49.4
Workforce/ Family Housing	\$87.4
Persons with Mental Disabilities	\$1.2
Senior Housing	\$25.2
Children	\$1.5
Mobility Disability	\$0.0
<i>Subtotal: Rental</i>	<i>\$164.7</i>
Homeownership	Leverage
<i>Subtotal: Homeownership</i>	<i>\$31.5</i>
<i>Subtotal: Affordable Units</i>	<i>\$196.2</i>

Average Per Unit Cost	\$21,189
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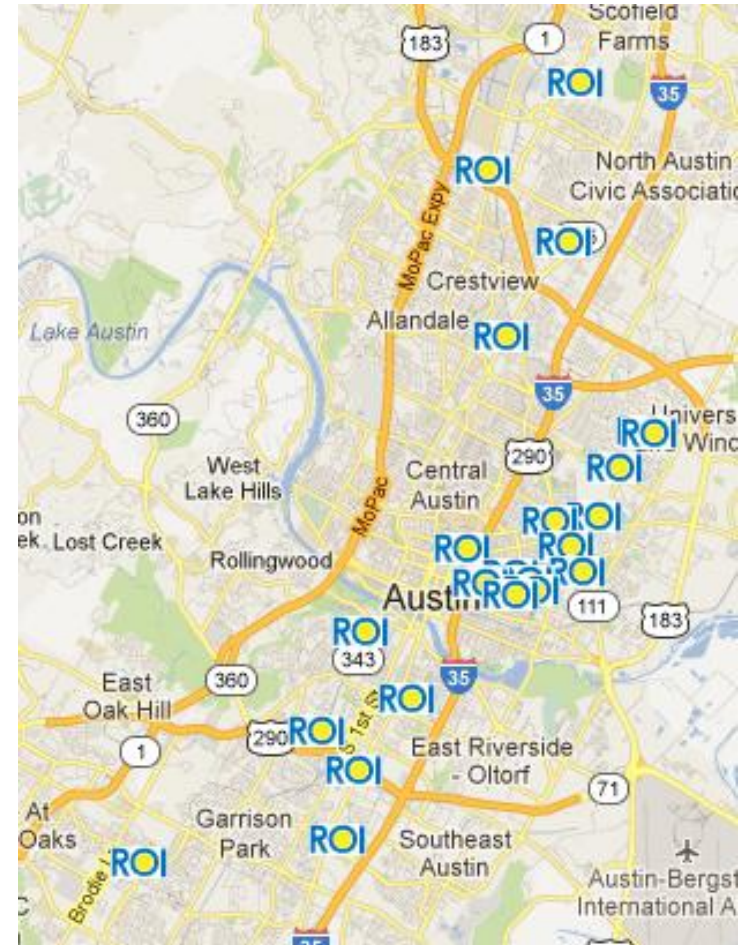
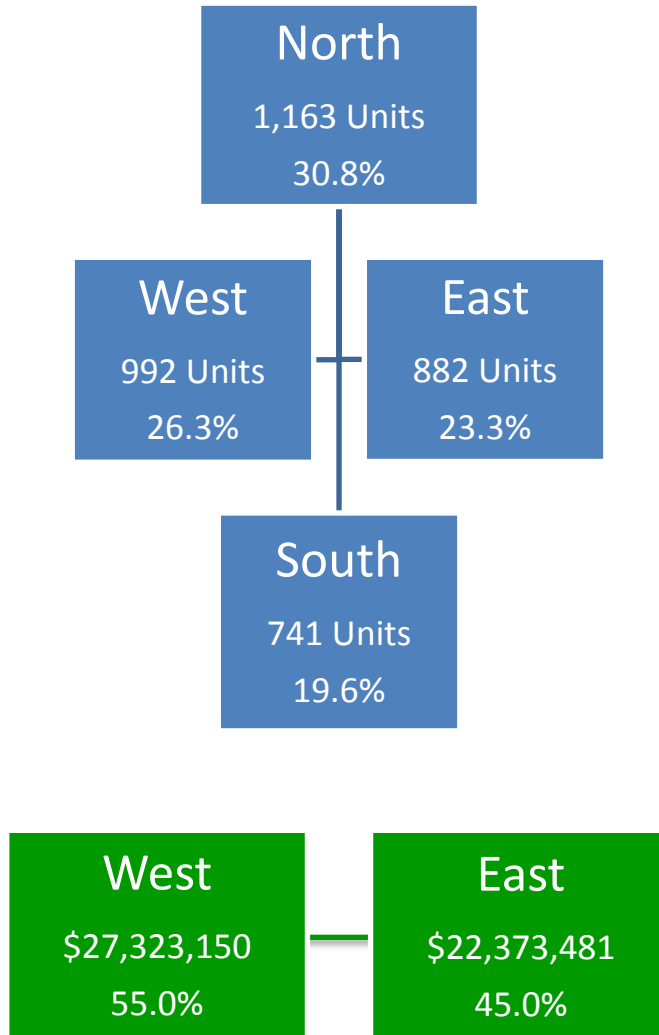
Estimated Construction Economic Impact	\$384.0 M
Estimated Ongoing Economic Impact over 10 Yrs.	\$420.0 M
Total Estimated Indirect Economic Impact	\$804.0 M



**> 14.6x
Initial
Bond
Investment**

G.O. Bond Accomplishments

Geographic Dispersion



ROI Map from G.O. Bonds

*Figures do not reflect Home Repair

Recent Council Action

- Resolution Jan 17, 2013:
 - Directs staff to identify a timeline and actions required to authorize a General Obligation Bond Proposition for affordable housing and review previous practices of the City of Austin and best practices of other cities to identify long-term sources of funding for affordable housing
- Budget Worksession Feb. 12, 2013:
 - Budget amendment to transfer \$10 Million to NHCD's CIP Program
 - Discussion of one-time funding for ownership and rental opportunities

Questions?