



DRAFT

AFFORDABILITY IMPACT STATEMENT

NEIGHBORHOOD HOUSING AND COMMUNITY DEVELOPMENT

CITY COUNCIL AGENDA:

PROPOSED CODE AMENDMENT:	AMEND CHAPTER 5-1 (HOUSING DISCRIMINATION) OF THE CITY CODE TO PROHIBIT DISCRIMINATION BASED ON AN INDIVIDUAL'S "SOURCE OF INCOME"
IMPACT ON HOUSING AFFORDABILITY:	<input checked="" type="checkbox"/> POSITIVE <input type="checkbox"/> NEGATIVE <input type="checkbox"/> NEUTRAL
PROPOSED CHANGES IMPACTING HOUSING AFFORDABILITY:	ADDING SOURCE OF INCOME AS A PROTECTED CLASS WILL CREATE A GREATER SUPPLY OF UNITS AVAILABLE TO LOW-INCOME HOUSEHOLDS WHO QUALIFY FOR HOUSING SUBSIDIES, INCLUDING HOUSING VOUCHERS, AND CREATE MORE GEOGRAPHICALLY DISPERSED HOUSING OPTIONS FOR THAT POPULATION. WHILE THIS WILL NOT NECESSARILY CREATE NEW AFFORDABLE UNITS, IT WILL ALLOW FOR GREATER HOUSING CHOICE FOR MANY HOUSEHOLDS THAT CANNOT CURRENTLY FIND AVAILABLE HOUSING IN AUSTIN, WHICH IS CURRENTLY CONSTRAINED EVEN FURTHER BY A TIGHT HOUSING MARKET.
OTHER HOUSING POLICY CONSIDERATIONS:	<p>ADDING A NEW PROTECTED CLASS MAY INCREASE COMPLAINTS TO THE FAIR HOUSING OFFICE. THEREFORE, THIS COULD INCREASE ADMINISTRATIVE EXPENSE IF THE NUMBER OF COMPLAINTS CANNOT BE ABSORBED BY THE CURRENT WORKFORCE. HOWEVER, NATIONALLY COMPLAINTS REGARDING SOURCE OF INCOME DISCRIMINATION ARE INCREASING, EVEN IN JURISDICTIONS THAT DO NOT DESIGNATE SOURCE OF INCOME AS A PROTECTED CLASS. ADDITIONALLY, ACCORDING TO THE NATIONAL FAIR HOUSING ALLIANCE, ALMOST 70% OF ALL FAIR HOUSING COMPLAINTS ARE HANDLED BY PRIVATE FAIR HOUSING ORGANIZATIONS. THUS, THE INCREASED BURDEN ON THE CITY OF AUSTIN FAIR HOUSING OFFICE FROM SOURCE OF INCOME COMPLAINTS MAY BE EASILY MANAGEABLE FOR EXISTING STAFF RESOURCES.</p> <p>A VOUCHER-HOLDER CAN STILL ONLY QUALIFY FOR A HOUSING UNIT UP TO A MAXIMUM RENTAL RATE BASED ON THEIR VOUCHER SIZE ISSUED AND UNIT SIZE SELECTED. THE APPROVED RENTAL RATE IS BASED ON THE AREA FAIR MARKET RENT AT INITIAL LEASE-UP, VOUCHER PROGRAM REGULATIONS RESTRICT FAMILIES FROM PAYING MORE THAN 40% OF THEIR ADJUSTED MONTHLY INCOME FOR RENT (SOURCE: HOUSING AUTHORITY OF THE CITY OF AUSTIN). IT IS POSSIBLE THAT A LANDLORD COULD RAISE RENTS OR SECURITY DEPOSITS TO PRICE OUT VOUCHER HOLDERS, THUS DECREASING HOUSING AFFORDABILITY. ADDITIONALLY, LANDLORDS MIGHT CHOOSE TO ACCEPT APPLICATIONS AFTER A VOUCHER HOLDER HAS APPLIED ONLY TO ACCEPT A LATER APPLICANT OR CHOOSE NOT TO REPAIR DEFICIENCIES TO THE PROPERTY FOUND DURING INSPECTION IN ORDER TO AVOID RENTING TO A VOUCHER HOLDER. THESE STRATEGIES COULD POTENTIALLY RESULT IN A FINDING OF DISPARATE IMPACT.</p>

MANDATING THAT PROPERTY OWNERS PARTICIPATE IN A PROGRAM THAT MAY REQUIRE ADDITIONAL ADMINISTRATIVE RESOURCES, AS WELL AS MAKING REPAIRS AS A RESULT OF SPECIAL INSPECTIONS COULD RESULT IN THOSE COSTS BEING PASSED ON TO TENANTS.

ADDING SOURCE OF INCOME TO THE FAIR HOUSING ORDINANCE MAY ALSO HAVE THE EFFECT OF INCREASING GEOGRAPHIC DISPERSION OF VOUCHER-ELIGIBLE HOUSEHOLDS, THEREFORE ENHANCING DIVERSITY THROUGHOUT THE CITY.

ACCORDING TO A STUDY BY DR. MOLLY W. METZGER AT WASHINGTON UNIVERSITY, VOUCHER HOUSEHOLDS IN AREAS WITH SOURCE-OF-INCOME PROTECTION LAWS ARE LESS RACIALLY SEGREGATED THAN VOUCHER HOUSEHOLDS IN AREAS WITHOUT SUCH LAWS.

DEVELOPING AND MAINTAINING HOUSE HOLD AFFORDABILITY THROUGHOUT AUSTIN IS ONE OF THE EIGHT PRIORITY PROGRAMS OF IMAGINE AUSTIN.

DATE PREPARED:

7/24/2014

DIRECTOR'S SIGNATURE: _____