

# City Council Special Called Meeting Transcript

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[10:45:40 AM]

>> Mayor Adler: So we're missing at this point, who? Pio, mayor pro tem. Oh, Pio is on the screen? So we're missing ... Mayor pro tem. All right. I will go ahead and convene the Austin city council work session here on November 30, 2021. The time is 10:46. We have a quorum present. Colleagues, just to generally address, a lot of this has been posted on the message board. I think that in conversations we have been having on the dais as well as in the community -- >> Mayor, can we double-check that our councilmembers can hear? They may be able to hear now, but I got a text that maybe they couldn't hear.

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>> Mayor Adler: Alison, Pio, can you hear what is happening. >> Now that you went live we can hear. >> Mayor Adler: Pio, can you hear? >> Renteria: No problem. >> Mayor Adler: The issue of housing affordability and housing supply is on the top of everybody's radar screen. Council members started posting to the message board on things they intend to move forward on. And at the same time that was happening council member alter and I started to work on the concept of what are the things that are achievable that we can get done now? We had the court case that was argued a week or two ago. Who knows when that will be resolved. Who knows what the rules will be going forward.

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But obviously a clear desire of a lot of people on the dais not to wait. That with the crisis that we're facing is pretty extreme and the need to do whatever we can do now is great. So we need to move forward. We need to see what is the universe of things we can do that are achievable and what has the greatest impact on housing supply and housing affordability. With the court case that is running, it looks like the best way to hit the first one of those is to find those ideas

or concepts or directions that nine or more of us could support, or discuss or help develop ideas. This is a work session. No votes taken at today's work

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session. We have all amended that we never had real opportunities to be with each other and talk to each other and find out where that kind of common ground might exist we don't have to fashion final solutions today to anything. But I think the goal at the end of the day is for us to either have direction for people that want to bring ifcs or direction manager, to you. With the staff to say there is support for this idea, would you develop this idea. I don't know if council will give specifics to that today. We could say this is an area that people are willing to talk about. There is no commitment in the meeting for anyone to vote any way on anything. It is entirely possible or acceptable for somebody to say well, I'm willing to entertain that subject, if someone would

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get details on what that would look like. Not ready to commit to anything like that, but am willing to at least engage in the conversation to see if there is something that nine-people plus could agree on to impact the housing affordability and supply. Just a conversation today. The way we will set this out, we'll start, give everybody five or so minutes to say where they are. We'll go about an hour on that, if all 10 of us use five minutes, that takes us to just past 11:30. And then we'll have a couple of presentations from staff. It was suggested that we have John hockenios talk to us about the economics associated with where we are. And the economics associated

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with trying to resolve, meet the challenge. Our staff will come in, after that, they'll have a half an hour-ish to talk to us. We can ask questions about half an hour, and then we will leave the dais. There will be an opportunity, a press conference with some of the stakeholders in the community want to be able to endorse this effort. It is not an endorsement of any particular resolution or any particular idea. It is just members of the community wanting to support the council's work and trying to figure out the consensus items in the impact. Everybody on the dais is invited to move to the atrium. I will not recess the meeting.

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It can move out there for people that want to go. I will read a proclamation that makes this housing affordability, housing supply week here as we address the issue. So people can do that. We'll come back from lunch break, and we have the opportunity to talk to each other. We have a hard stop at 4:30. But the whole afternoon or however much or little of that we want to take is for us to be able to speak with each other. To speak with one another. Anything else before we get started? All right. It is a plan to use. Give everybody five minutes. Does anybody want to

go first? >> Mayor, you asked for anything else. I know council member tovo might want to say something.

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I thought I saw her hand up. >> Mayor Adler: Did you want to say something separate from the opening round of comments. >> Tovo: Mine are opening round. >> Mayor Adler: You want to start us off? >> Tovo: Sure, I would be glad to. I appreciate the opportunity to have this conversation. I think it is a good opportunity for us to do really what the task was before us all along, which was to find the points of consensus. There were many in our earlier conversations about how to find appropriate ways to add housing within our community and to really focus on creating more and expanded opportunities for affordable housing. I'm really eager to have a conversation that focuses on the points of agreement and keeps a positive direction and looks for those places where we have agreement among us on the dais, but also agreement with large sectors of the community. I think that's a really

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important perspective to have as we undertake this. In terms of specific things, I'm interested in talking about, as I've mentioned, I have a resolution coming forward on accessory dwelling units that does a variety of things recommended to us by the staff. As a product of the resolution I brought forward, staff brought forward a long memo that brings forward some ideas. The blithe points I may distribute in a bit talk about funding options to also collapsing distinctions between different accessory dwelling units and expanding opportunities for them. Of the other items on the list, I think the -- another idea that enjoyed great support the last time we had conversations about land use is adding residential to commercial categories. I think that is something that most of us chimed in on the message board we're supportive

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of. I am interested in that. I'm interested on the dais to encourage the colleges and institutions in our community to build housing to free up tens of thousands of units within our city. I think that is a productive line of conversation. So again, I'm excited about this conversation. I think we have a great opportunity to really focus on how best to create additional affordable housing, to use our density bonus programs to use public land to help provide opportunities and hope that as the day progresses, we continue to all work from that perspective of where we can find common ground and really have the most impact, the most impactful ideas move forward. And that that is where we spend our time and energy. >> Mayor Adler: Great. Thank you.

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Ann? >> Kitchen: Yes, thank you. I'm also interested and glad to be in this position. Like you said, mayor, I don't think we need to wait. Um ... Regardless of the lawsuit, I think what we

learned from it is the importance of moving forward as quickly as we can in a way that brings the community together and is not divisive, where we are reaching consensus. There are a lot of ideas that have been laid out that I think have a lot of potential and I'm excited about talking about. I'm going to mention a few here. Doesn't mean I am not interested in the others. I may not catch everything. The first thing is, as you know, I brought a resolution last time on vmu and opening up the possibilities for vmu and more -- in more locations. So I'm looking forward to having that continued discussion. As that item comes back to us. I also am, as others have

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said, as council member tovo said and I believe you did also, mayor, as well as council member alter is the allowing residential and commercial can be very impactful. So I'm looking forward to supporting that. I think we also -- I had mentioned before on the message board that I might be looking at doing something with mf to allow for and provide for mf categories to provide for some affordability. So I think that as we move forward, we'll need to think about how all of these work together. So that we think about our incentives, policies, and policies for affordable housing as sort of a hierarchy with our potentially V along the corridors, where we have said that we're interested and we think the most density is most appropriate. Also looking at residential

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and commercial areas where some aspect of affordability, but understanding that that may be somewhat different. And then also looking at potential, what we do with mf, anyway, my point being that we want all of the things to work together with the goal of getting the most affordable housing we can. In all the different parts of town. Second thing I'm interested in exploring is relocation and tenant protections. That is something that I have asked for if executive session, although not today because we have too many other things to talk about today. I asked for that next week. Next Tuesday, we can start to have a conversation to catch up on previous conversations on what our options are. That relocation assistance and other tenant protections are particularly important as we, as we develop more of the city

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and look at redevelopment. Because it's very important that we protect the affordability that we have as well as do what we can to incent additional affordability. Third thing, I will defer to council member pool on this, she's been leading on this effort. This has to do with looking at planning certain areas and potentially reexamining the zoning in those areas. I know she's led on some things in her district. It's also something we had included in the policy document that was adopted on may 2, back in 2019. There are parts of town that really would make sense for us. For me, in district 5, I'm very curious about what we can do with some of the larger shopping center areas, for example. That really have the potential for redevelopment and

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additional housing. So I want to have some conversation about planning for those areas. Let's see. I think another area that we should talk about not necessarily today, but our housing blueprint and looking at our goals. I would like to have a conversation with staff at some point about making sure we're analyzing and reporting those goals in a more comprehensive way. So we can both understand where we're at on the ground at a snapshot in time and how we're trending and what's in the pipeline. I think we miss a lot of times what's in the pipeline. There are other things I will be interested in. I appreciate what people brought forward. I think I will reiterate what others have said is that I think it is important that we move as quickly as we can to get the highest impact that we

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can. So I envision that, you know, each of us will be bringing forward different resolutions and working in concert with each other. And doing what we have already been doing over the past year, which is making some changes on the land development code. And I think we should continue to do that. So again, the simplest and most significant impact on capacity should be the main focus and understanding there will be things that we also do that have longer-term impacts. Thank you. >> Mayor Adler: Great, thank you. Alison? >> Alter: Good morning. I appreciate this conversation. I want to kind of focus us on where we have the greatest impact. That is really where I'm looking at, and where we have the most consensus.

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And my colleagues thus far have mentioned that, but I think it is really important that we not spend a lot of time debating controversial things where we can have very minor impacts, but instead we focus on those places where we can have bigger impacts. The proposal I offered with mayor Adler to allow residential in certain commercial Zones I believe is one of the areas that we have broad consensus and also delivers a high level of capacity. We have prepared a resolution that will be on the December 9 agenda. Appreciate the co-sponsor somewhere of council members tovo, pool, Casar and cavben and harper-madison may also support that. I think that is an example of where we can make a change that is reasonably uncomplicated and can get a big bang for what we're

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looking at. I also have been advocating for a really long time that we need to encourage and facilitate UT and other universities to build housing for students. We also need to think about them building housing for staff and faculty. Many of these institutions own land and I know for UT in particular, they have not invested much in housing. And when you start to look at the statistics of how many students or what percentage of students are housed on campus at UT, it is really startling. One figure from U.S. News world report has it at 8%. If you have 40,000 students, there is a big chunk of those students that we can get out of the general housing pool

and into campus housing, if we can work with UT and other universities to get that. And that is, you know, a totally different way of thinking about supply than

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some of the proposals that we looked at in the past. I also want to build on the work of council member pool and we could be making housing in the shopping centers in the corridors and flipped incentives to create mixed-use centers in areas where you wouldn't displace anyone and allowing for the retail to be there. I also believe that we could be doing some targeting, zoning, permitting zoning flexibility for affordability housing, we have done some for affordability unlocked. We may need to look at affordability unlocked and see what else we can do there. I think that flexibility when doing affordable housing is something I'm much more comfortable with than blanket approaching things. I support council member tovo's work on the ads and I

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want to mention the need to create the pipeline of trade workers. We can create it all we want, but if there is nobody in the community to build them, it won't get built. We can control that, it is cost effective, achieves multiple goals, in terms of upscaling workers, providing opportunities, it helps to close the inequality gap and allows us to have the workers we need if we want to grow. I think that is important. And finally, I want to mention that we need to recognize in this conversation some of the things that we have done really well. Everyone wants to move to Austin. That is great. Some of that is under our control and some is not. We have made significant investments in supply through the affordable housing bonds, planned developments like Miller and colony park and other steps we have taken, we have done that more than any other communities, "The new

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York Times" article over the weekend talked about the msa and how much supply was being created and how much we were pushing above our weight as a community. So I think as we address what is going on, it is not all gloom and doom. You know, this is an enviable situation. We also need to recognize the things that we have done right. Thank you. >> Mayor Adler: Thank you. Council member Casar? >> Casar: Thank you, mayor. We all know this is such an important issue. I'm so glad we have come together to discuss it and set aside this work session. And we have seen, especially during the last few months, rents speak, more people getting pushed out of the city. And during the pandemic, housing prices and median home price skyrocket like we have never seen before. I'm glad we're getting together with urgency to deliver some immediate change. I really appreciate each of the council members who just

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spoke before me about our focus on what we can get done that will have a high impact, where there is broad consensus, because that is the kind of immediate policy change I think is necessary to address the spike in housing prices we're seeing. Because in my view that spike in housing prices is unacceptable, especially if we want to keep those families in the cities, especially those working families like in east Austin. I do want to thank the sponsors and co-sponsors of the work to add residential and commercial areas and to require mixed income housing as a part of those developments. I think that is really important. I appreciate the work on ads. I look forward to council member tovo's resolution, along with what the mayor listed and discussed in housing committee, which we can get rid of some of the restrictions we have on Adu construction. There are lots of places where

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a second unit is allowed or a third unit is allowed and we check on people's age living in the unit. Or require the person living in the unit work for the person in the front house. Many of those restrictions we can get rid of. I think that there is broad consensus for that. I think it would provide that range in housing supply to have more middle class options for rent or middle-class options for purchase thereby freeing up other units for working class other other income limits to live in. Those are consensus changers. We have to look at parking rules. I appreciate what council member Ellis and others posted. Again, while I think we could make and should make bigger changes to the parking rules as seen in previous proposals, if there is something to get done soon, I think that would be better than us taking too long to figure out what the perfect answer is, given,

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again, the major housing shortage we have seen. If we can replace parking places with places people can live affordably, let's do that. I would suggest what significant changes we can make along the project connect lines. For example, that is something we hadn't passed, last time we had this discussion in a substantial way. If we look at along the corridors or where we have project connect making significant changes there, that is again, I place where we can bring a large amount, not just to the council but the community along. I appreciate the mention of height and what council member kitchen brought forward with vmu2, and what planning commission is working on. I think looking at height and getting near -- more units to get more in the supply issue. A mix makes more sense. We need a conversation around what the right modifications to compatibility might be,

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because if you just say the height, the height isn't allowed under compatibility, maybe there is an answer there. I think the consensus that has the impact we want but understanding it would take all of us coming together to figure out what the right answer is to bring that supply forward. I also appreciate the mention, council member kitchen of tenants' protections. In my view, this whole conversation is in part about slowing gentrification in the community. I think

we need adequate housing supply to slow that, but also if we add mf categories and bonuses we do that in new places and not on top of existing multifamily. That if we are making certain changes to single-family Zones that we look at the preservation bonus as an example. Because right now, what our development rules are driving

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so often is a more affordable single-family house being demolished and replaced by one really expensive house, as opposed to that second or third smaller unit. That adds to the overall housing supply and gets us the diversity that we want in the city. Same thing with multifamily rather than just multifamily getting built on top of existing multifamily, better for us to put it on the commercial sites, add overall housing supply and get the income diversity we need. I lay each of these out because I think there is broad consensus in the community and given the urgency of the crisis we're facing in housing prices right now, it is something I think we could get done right now. I look forward to voting on many of the proposals forward on the December 9 meeting and hope to bring more forward in January that we find consensus for here. Counsel me in amongst those who are ready to vote things forward that have broad consensus to have the impact

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we have right now because we on this council have never seen the spike that people are seeing in housing prices and feeling right now. Thank you. >> Mayor Adler: Council member pool. >> Pool: Thanks, good morning, everybody. I want to lay a marker here. That I would like to work on improvements to some of the zoning categories that are intended to help provide missing middle housing typologies, the sf5 and sf6. There are several things that prevent them from being widely used as infill and most of you recognize that. We could do just as well with these infill zoning categories if they were used, but developers are instead choosing the more intense mf4 or mf5 category. So I would like to work on tweaks to this specifically to make sure the less intense categories are more attractive. And are used more widely.

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When they would provide better housing types for neighborhood compatibility and the environmental benefit that is so important. Than the more intense mf Zones. I think this is an area where we can find common ground across the spectrum of our communities. In addition to the comments that I posted on the message board about residential above commercial and my support for that. I support focusing capacity on specific corridors, as I discussed in the past. I agree with those who have spoken today and previously about really smart planning with the emphasis on the planning for the most active transit corridors. I think we are all in agreement about the need for that. I also support exploring the responsibility of our local colleges and universities and providing adequate housing for their enrolled students. I would like to see movement in that arena to benefit all the undergrads and grad students who choose our city



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to extend their education. As some of my colleagues just mentioned, I would like to reiterate my call for the district-level planning as a critical means to ensuring we get this right. And to build community buy-in for any major changes. And I'll emphasize community buy-in for any major changes as being another commitment to district level planning is particularly important given the context of the coming etod policy engagement and planning efforts for next year. Councilmember Kitchen and I have long championed the planning effort to needs to take place particularly along our transit corridors and in our imagine Austin regional centers. Council has repeatedly supported planning as an important aspect of the land development code changes. In the May 2nd, 2019 document and more recently as part of the budget rider

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that funded the northeast Austin district plan. The budget rider from this summer, I can remind everybody about, it calls for two additional district areas to be identified and funded as part of a midyear budget amendment. We certainly want to make sure we're learning from the northeast Austin planning effort and continuing it in other areas of town such as district 2 that we have yet to see any benefit or any planning in that area. I'd also like to make sure our long range planning staff are working on district level planning as part of regular business, not just in a piecemeal fashion. For instance, I'd like to see our staff working at the scale of several districts, several district plans per year in their normal course of business. And then I'll just close by reiterating that finding common ground across our community is imperative to

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successfully continuing and moving forward with this conversation. Thank you. >> Mayor Adler: Thank you. Councilmember Kelly. >> Kelly: Thanks. As someone new to this council who wasn't involved in many of these discussions when they were last happening in this room nor engaged when many of the major revisions have contributed to our current status quo were introduced, debated and passed, I'm not going to pretend to be an expert on these issues. As I mentioned before, I wasn't even born when the current code was adopted. It's actually two years older than me, fun fact. I have grown up and witnessed firsthand whatnot building enough housing has done to our city as we've continued to grow. While I might not have the data or the complete picture, I do realize that our status quo is completely broken. In talking to neighbors, friends, local business owners and colleagues, I've begun to realize just how old and outdated and complicated the process really is. It's a complicated mess that

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few understand, which has resulted in slow, confusing and sometimes unpredictable processes to navigate for those attempting to do exactly what we so desperately need, to build more housing. And while it won't fix all of our issues, there's no reason why we can't have more predictable, easier to navigate, more affordable planning permit and formal review process.

Any time we have save, any fees we can reduce and any processes we can streamline and eliminate equals cost savings for us at the city and those attempting to build the homes that we so desperately need. Even with two good jobs it's very, very hard to see a way for my husband and I to afford a home in my district. We're renters currently. And I do want to keep my daughter here. I want to raise her here. And I don't want prices to prevent us from being able to do that like many austinities in the city. What we want to do is increase the housing supply and I think we can definitely do that here. So in time we will reach these goals, I'm confident

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of that. And wherever we start I hope that each step we take embraces a shared common sense framework that empowers all of our citizens to be active participants in building a stronger future for austinities. Thanks. >> Mayor Adler: Councilmember Ellis. And then councilmember Renteria. >> Ellis: A lot of these are very good sentiments, thank you, mayor. I put up a very big message board post today and it's in line with what I said earlier. I think there's consensus around how we do parking requirement and where those locations are appropriate. I've heard a couple of times over the past few years, especially as we build out project connect and the proposition B mobility bond that there may be some locations in town that are willing to experiment or to test what are appropriate requirements for parking and what will the market just build because they know the clientele that they're seeking to serve.

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Increasing Adu availability, I appreciate the work that's ongoing with this because I think it's important for folks to know what options they have and to be able to access those options. There are people who could build an Adu if they knew how to get through the process and to get through it and to build those additional units. Right-sizing some of the site plan requirements, I know a couple of our stakeholders have offered input about how -- I think it's the number three units right now. If you go over that you have to do a full site plan as a much larger development and so I think we need to look at the increasing the affordability of sf-5 and 6 as councilmember pool just mentioned that we have availability for those infill and missing middle type developments to get through our processes in a more streamlined way. I'm also curious about the preservation bonus. I remember us having that discussion before and I'm a little foggy on the details of which parts might have been favorable and if there were any situations that

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were potentially unfavorable that we need to identify and look at. And then looking at our equitable transit oriented policies, I know that's a conversation we've had on the dais recently so I am certainly looking forward to seeing what the city and capmetro were able to present back to us at a later date. This list is by no means exhaustive but I'm also really heartened to hear about some of the ideas that folks are having on the dais about other angles of this that we can tackle. I know we're all concerned about housing availability and affordability and

especially as we work through project connect and the proposition B mobility bond that looking at family budgets and understanding the impact of increasing housing costs and transportation time and cost on family budgets is a big indicator of whether they can stay and the homes that they own, whether they can build a family in this community or whether they'll have to look at selling their home and moving further away and adding into

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the commute and congestion, issues that we're definitely seeing on the outskirts of town. And I do appreciate in the mayor's most recent post I think it was just talking about later in the day the next steps, how do we decide how to go from here. I want to make sure that we're in agreement with which steps we need to be taking right now and to understand when we need extra of to come back with information we want to make sure they know what we're looking for and that we're going to be able to communicate with them in a way that gets the information back so that we don't end up having people working on things that end up not being able to come to fruition later on after everybody has put so much time and energy into it. So I really look forward to this conversation. I like what I'm hearing so far. And I think this is going to be a productive day. >> Mayor Adler: Councilmember Renteria. >> Renteria: Thank you, mayor. I agree a lot with my colleagues. Of course, I got elected seven years ago with the

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promise that I was going to work on the homestead preservation act that we finally got done the first year that I was in office. You know, we have worked really hard to build as many affordable units. I was out there in the community development commission for 13 years, you know, and I got really excited to see the concept of Mueller, the old Austin airport at Mueller, and the development that we did there. And a lot of people don't realize that over 25% of the people there are either low income or workforce families that live there. And this is the kind of concept that I really want to see all over Austin because it works. I had capital metro there and Cesar Chavez development there, and we have 180 units of affordable workforce housing being built there or already built. And because of that we were

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able also to do the Mueller project -- the Chalmers court project, which is also going to almost triple in size and be able to allow people with -- this is deep affordability. And we have a lot of these developments and it is because of the homestead preservation act. And it gave us the opportunity to also retain -- non-profit entities to retain ownership of the land so that we won't lose it. That's how we lost a lot of our affordable units in the past years that we built because we couldn't keep people from selling it. And that's the most important thing that we have is to retain ownership of all the land that we can get. And it's so important now because of what -- queer -- we're landlocked, we're under 10% of developable land so we will have landfill and that's very important that

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we start buying as much land as we can, especially along the major corridors and the transit rails that are coming in. On this is one of the biggest concerns that I have is we'll end up paying too much money for land that we're not going to be able to build as many units on these properties. So it's important that we actually start going out there and identifying properties that we can buy now before. There's thoughts in my neighborhood now with a house that's going over a million dollars and it's going to be harder and harder for us to build these affordable units and to keep people there, especially homeowners, because the price of land has just gone crazy, especially in east Austin. So that's what I really want to concentrate on. We know that we know. We know that we need to build more housing. And we were pretty close

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there four years ago where we started to build as many rental apartments and the product has kind of stabilized but it's gone crazier again now and prices have gone up. What I basically tell people who want to visit my office that wants the tax burden on Austin, I say no way. The only way I will give you a tax break is if you use all that money to build housing for your team, for your members, no your workers for them to have a place to stay here. If not, then I'm sorry. Thank you. >> Mayor Adler: Thank you. Colleagues, before we turn this over and get staff in here from John Hockenyos, you know, I remember when I running and a lot of us were running eight years ago, the key issue when you went out

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to the community and the polling was transportation: We've done some remarkable things in the city with transportation over the bonding of 2016, the 2018, getting project connect done and pretty incredible work in that period of time. We also have made pretty incredible strides with respect to homelessness which has been this council's number one priority in the community over the last two three years. I want to thank publicly the Michael and Susan Dell foundation today for coming forward request three beneficiaries over \$36 million to build capital, to build housing, to get people who are experiencing chronic homelessness off the street. The folks helping to organize the summit we've been dealing with and

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working with, Michael and Susan Dell foundation since the summer. And this was a contribution that went outside of their core mission so it was a pretty remarkable and encouraging move to see the foundation make and helps push us farther and greater towards meeting that 500 plus-million-dollar goal that we have to really set up that system. But that was work we did when we focused on and we all came together. It's where we're going right now. But I want to feel good about that as we all should. And now as we've all discussed, seeing the spikes and the activity that we're seeing on housing affordability and supply clearly this is where we need to really

focus. The next real significant push I think that councilmember alter is right there's a lot we have done with affordability and are

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doing that is really good work, the 250-million-dollar affordable housing bond, the transformational mobility package that includes that \$300 million for anti-displacement work to be laid out, the homestead exemption, getting it out, the master development plan, all those things that work in that direction, the increased housing that's happening even though we're not hitting those benchmarks but in certain areas. I'm encouraged by the conversation we're having here. The things I have liked I've pointed out on the message board and they're available for folks to see. I'm real happy to be working with councilmember alter and frankly I think everybody on this council to make sure we have residential uses in commercial Zones. The Adu work, getting colleges to work with us and I think that's going to require us to also work with them. But I think that probably would be some of the most

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efficient effort and even resources if we were to put it against that to get students into good housing for them and also frees up housing preservation bonuses, I think it makes sense. I think we need to start discussing whether or not there's a bond next year to remr. Renteria initial the affordable housing dollars that we have raised that have been pretty much exhausted and committed. I think that's a conversation that we need to start initiating. I'd also be curious as we go through the conversations, because this conversation today is about what's achievable. So it's not to get us embroiled in controversy or to reargue policy questions that we can't get agreement on. If anybody mentions transition Zones here I think we vote them off the

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island. We're just not going to go there. At the same time I would like to explore whether or not there is an appetite for seeing if we can develop adjustments to compatibility that enable the density bonuses that we're providing for on corridors to be used because a lot of work, the residential and commercial use, a lot of the bonuses associated with that are things that in the market can't be achieved with current compatibility, the way that it's set up. And the question is in exchange for affordability or in ex-change for development along transit corridors, in exchange for tenant protections, in exchange for things that we want to have happen are there adjustments, not doing away with capability, but are there adjustments we can make to compatibility that might enable an extra five feet of height somewhere

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that enable an additional floor to be achieved in a building. I would like us to explore that option to see if there's something that can be done. I also have some economic questions that I hope that staff can address. You would like to have a better feel for what incentives work.

When we do incentives we want what we can do for them but it doesn't do us any good to ask for incentives if the cost to them is greater than anybody is going to actually use. We can't leave value and benefit on the table but I don't know where that line is and I don't know how to approach that. I want to know what makes incentives work. I also want to have conversations about 80% mfi. That is the conversations we need for people whose housing there is no option. What I'm looking at in the

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marketplace it seems like there are a lot of people trying to buy a home in the 10080 to 120% range that can't find them in the places they want to live so what what they end up doing is they go to that home that could have sold for 30% of the income for somebody making 60% mfi could have sold there, but now the people bidding on it are willing to pay 30% of 80% to 120% mechanic income and they bid up that price. And the person who is out there trying to buy it at 60% is now competing with people offering \$100,000 more than what the list price it. That's gentrification. And I don't know how we ever create a supply and market in housing at 60%, 70% mfi until we stop people who are making 120% mfi going after those homes because there are not enough homes in

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those category. I want to keep those people out of the market for 70% mfi and I don't know how to do that without concerted effort or workforce housing. I'd like for that concept to be discussed, whether that's a legitimate thing to be raising. I also like the questions with respect of permanent improvements and predictability with costs associated with developments, but I want to know if that impacts price. In other words, if the market right now and the demand because the supply is such to bid a housing price up to a certain place, if you can deliver that house for \$50,000 leg in cost does the price actually go up \$50,000, or do we give them \$50,000 in profit. It seems to me if you have ample supply and you can cut from \$50,000, the price would go down because people are competing against each other to make sure theirs is

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the one sold. But in a situation like ours where everything is selling in a month, it seems like you could have a cost but it will have no impact on price. I need to better understand whether our emphasis should be on reducing of the or whether our emphasis should be on increasing supply. And whether that changes over time and whether we're in a place that we could have conversations. And on parking as well. That is another one of the third rail kinds of things. I don't want to get lost in long conversations about parking. At the same time I would want to know if there is a willingness or an appetite to do adjustments, two parking requirements in specific targeted places like project connect corridors and I'd like to see whether or not we can have any movement in that kind of an area.

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I'd like to see the conversation we're having here. Mayor pro tem, I'll come to you next. I think there are a lot of things that we've identified that we can move forward on. I want to make sure that we have a conversation about what these next steps are, whether they come back to us, whether it's items from council, whether we're asking you, manager, to come back as the staff with suggestions. You have the ability to walk and talk to offices that we don't necessarily have as a council. We're trying to get things to maybe more efficiently than we could otherwise. You have the ability to gauge whether or not and what kind of things we're discussing on the dais with the emphasis on being achievable, which means consensus, nine plus votes, and impact. Let's focus on those things that would have the greatest measure of impact. Before we go to staff, mayor pro tem, I'm going to recognize you. >> Harper-madison: Thank

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you. I appreciate that. I probably missed a bunch. I'm having some tech issues this morning. Thank you for your grace and patience. I had to write it down because we had to write it down to be able to see all the things that you really need in a conversation that's as important as this conversation. So this is an old story and most of us on the dais have probably heard it a million dollars, but I think it bears repeating. In 1928, less than a century ago, the Austin city council approved a comprehensive plan that called for explicit racial segregation. City-sanctioned segregation that created the six square miles that we know as the historic black Austin east of downtown. And it did it by dictating that all segregating facilities be built and

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provided in this part of town. So Austin never used zoning to explicitly say where black people could or couldn't live. That's because the supreme court ruled against that. Race-based zoning was illegal. So like a lot of other cities across the country, we and I say we because it's all of us in here together, we figured out ways to achieve the same goal. So in addition to private whites only restrictive covenants, Austin enacted exclusionary zoning rules, minimum lot sizes, height limits, permitting that was the most expensive sort of housing, single-family housing, to be built in our city. So cornering black austinities in one part of town then red lining those

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areas so they couldn't access home loans, all of that deliberate. That was deliberate policy that robbed countless families of the opportunity to build the same generational wealth that white people enjoy today. So now we're decades past the point where decades restrictive covenant, city sanctioned segregation covenants lost legal standing and where the supreme court wiped out the segregationist schools and pools and transit and all the rest, right? But Austin is clearly still segregated both racially and economically. That's a defacto segregation that exists because we still have the exclusionary zoning rules that keep so many neighborhoods in Austin out of the reach of low income

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residents, period. There's no argument. You can't argue with me on that. That's true. The argument is now the exclusionary zoning rules are not just hurting black austinians or brown austinians or poor austinians. Now we're seeing where it happens where you restrict supply in the face of an incredibly strong and sustained demand, it's displacing the working, the middle class, people are moving to the suburbs. We're displacing the poorest among us to the streets. It's creating more sprawl which leads to worst traffic, more carbon emissions, less time that people get to spend with their families and their friends. And it strains our city's budget. It costs us to provide streets, utilities, other critical services. Cities like Detroit, for example, where they can't

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afford to deploy city services to the suburbs, they're paying people to move back to the city center. That's where we're headed. Services to lower density areas across Austin's 275 square miles. So surely before council adopted our current code in 1984, former council John [indiscernible] remarked low density development eliminates most minorities, are we building an elitist community, yes? We want to enjoy the environment, but none of my folks will be able to move in. And looking around today I can't help but think how prophetic his words are. A truly Progressive city would look at this model of segregated, car dependent, urban planning, and start searching for better ways. So our existing

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comprehensive plan, imagine Austin, had a more sustainable, compact, connected city. We took a big step in that direction with overwhelming approval of project connect last year, but it's a much longer journey ahead of us. We literally can't afford to keep shuffling and moving around any longer. Changing our zoning and land development rules isn't the silver bullet solution, but recognizing that our exclusionary status quo is working as intended to deny access, that is a big part of the larger effort to reimagine Austin if we think through it as a city for true equity, true opportunity for all of our residents. So I'm excited to move

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forward many of the items that are being put forward on the table today but I also know we need a true comprehensive plan, an overall comprehensive plan for our current code and really I hope in my heart of hearts, I've had the opportunity to talk to my family in recent days. You all know we went through a tragedy in my family and just having the opportunity to sit around and talk through it, people who never talked about land use or zoning, I'm like listen, I'm not an expert either but I've learned a lot. I hope that we can move forward in a way that happens fast and that is beneficial for more people that it's beneficial for. And I think -- chair, I appreciate the way you laid it out that you want us to



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try to come to consensus because you don't want us to argue, right? Because we don't have to. Some of these things we don't even have to argue about. Listen, look, use your eyeballs. You don't have to argue about. Critical housing shortage, that is our reality. So my hope is that you, chair, and the rest of our colleagues, we get to move in a way to recognize that we have a similar goal here. We have a similar goal. Can we house people. And that's that. So thank you. I appreciate you recognizing me. I'm going to turn my camera off because I think my little phone thing is not lighting me up right now. >> Mayor Adler: Thank you. Anybody who hasn't had a chance yet want to speak? Before we go to staff real fast because we're going to be time sensitive -- >> Kitchen: I want so preserve time at the end to talk about next steps. And I do want to just

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emphasize that moving forward should not slow us down. We've already brought resolutions, many of us have brought resolutions. I don't want us to set up a situation where we have to slow things down by setting a certain structure. So I think we can have that conversation at the end of the day that allows for flexibility and cogs R. Council members to determine themselves how they want to bring things forward. >> Mayor Adler: Let's go to staff then. Mr. Hockenyos? Manager, did you want to say something as we turn over? >> Thank you, mayor and council. Again, really appreciate the opening comments that were made regarding this critical topic for our community. Staff does have two parts after presentation. One is from a consultant, John hock enross, who will provide a kind of global overview of the housing challenge that our community is facing. Then staff will provide some

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additional contacts in the programs and services that we have been going there over the years and backing it up with some of the most recent data. With that I'll turn it over to John hockenyos. >> Mayor Adler: And just the other thing -- when staff comes up, one other thing that would be helpful for them to address is things that we could be doing that might be consensus and achieve max results to hear from staff the kind of suggestion and direction would be helpful too. >> Mr. Mayor, Mr. City manager, members of council, thanks once again. First of all it's great to be back in person. It's really nice to see everybody. For those of you who haven't met me, I'm John hockenyos and you can see by my aging face I've been around awhile. I've been work ags consultant for the city for almost 20 years, guys, at this point. I started working quite a few years ago with the city on the dot-com crisis. My role is to typically context and frame issues

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talking about usually things relating to economics and economic development. It's very encouraging, frankly, to listen to everyone this morning. There is no persuasion I think that

needs to happen here. It's clear you all recognize the challenge we face. It's clear you all are focused on finding workable solutions and I think that that's great. So I will go through this. A lot of it will reinforce what I think you all already know. Talk a little bit about directionally some things we may be able to do to deal with this enormous crisis we are facing and then obviously q&a is where most of the time we find real sort of progress forward so we'll leave time for that. So if we could go to the first slide. It is -- I stole a headline from the "New York Times." It's true it's one of the least affordability -- frankly it's one of the least affordable metro area. If you read the "New York Times" article they were talking about our entire region. We are one of the least affordable at this point. Part of the reason being is in terms of the economy, and

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yes obviously the omicron variety is going to be part of T we are now at the place that we have gained on a year over year basis using a fairly standard measure of the employment base called the current employment survey for the metro area, we're seven percent ahead than we were in 2020 and 40,000 jobs ahead of where we were in 2019. So overall we are one of the economic stars in the united States and the pandemic has only enhanced trends that have been evident here for some time which is quite frankly if you manage information you're in great shape. If you have a job that requires you to face your customers you may have had some challenges along the way. We have a disproportionate volume of people who Austin who work managing information which means they draw salaries and can work remotely and as a result we have come through the pandemic in better shape than many other reasons and that's of course only

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exacerbated by 180 people a day moving here. And companies all over the world looking to Austin on as a way to expand and relocate. So at this point display and cost issues are really our main economic issues. You are all talking about housing supply today. That's absolutely a piece of it. Labor supply, which is by the way inextricably related to housing supply is a huge issue as well. If you talk to folks out there who are serving consumers they're having a terrible time finding workers and they're having a terrible time finding workers and paying them wages they can afford. I have been using a metaphor where we're willing to pay \$25 for a cheese burger. Lo and behold I went to a local restaurant for a cheeseburger yesterday and it was 23.50. These are the challenges we face. They're on the supply side and all connected together. In-migration has happened at an extraordinarily rapid rate. It does not help us when we're named the most attractive place in the

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world to relocate as a recent British publication did. There is no sign that that's going to change and I've lived in Austin long enough that all of our efforts to close the door really have not worked. There's an old joke what's the best day in Austin? It's the day you moved here. I have a neighbor, I live in the Travis heights area. I had a neighbor who when I first moved in, she was an elderly woman, I said when was the best day? She said honey, you should have been here

before world War II. It was great then. And as generations go forward we will hear more and more of that. What it means is we can't stop people. We've tried and it hasn't worked well. What we have to do is what you are embarking on today and I know these are ongoing conversations, you're talking about how do we work with that. How do we accommodate it, get the benefits out of it, how do we do what we need to do to make sure that it doesn't flat overwhelm us? Because it has been an

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absolutely perfect storm on the real estate side of the equation for residential, especially single-family owner occupied. When you have historically low interest rates on the order of \$12 trillion pumped from the government on this economy. Yes, we are working hard to increase this supply, but demand has exceeded it at an exceptional level. Some of that is about new jobs being created here. Some is about people choosing to live in our community that creates a perfect storm and you get the effects that we're seeing today. So overall it's a good problem to have. This is a better problem. It's a better problem to have and the problem of how the heck will we find things for people to do on is a tougher problem. Managing growth is tough in finding stability. Nonetheless it is a tough problem. Next slide. Some pictures to give you a frame of reference, this is October difference. This is the sway where they -- this is the survey

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where they call employers saying how many folks do you have working. This is the msa level, the five counties. Look at that, October of 2021, well above October of 2020, well above October of 2019, pre-pandemic, all the way back. Next slide, please. So one of the things that's interesting about Austin is Austin goes through shocks periodically. I've taken a chart that shows you the 12 month change and that same employment series we just mentioned, we've taken it all the way back to 1981. So we had the S and L crisis in 1981. I went to UT in the fall of aye so I was right in time for the S and L crisis. We mentioned the economic crisis and then the great recession driven by the real estate and housing problems and then covid-19. Four great shocks all of which count on substantial job loss and all of which we

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rebounded relatively quickly from. Over this period we've grown our employment base at almost a four percent compound annual rate. That is extraordinarily rapid and reflects a community that is absolutely bunch oning. This gives you the historical picture. You get an external shock and we recover. So what's happening, this is big insight by the way. Demand growth and housing is out stripping supply. I know nobody in this room had thought of it already. I thought I would put up some data to demonstrate that and you see it in particular here in the last couple of years the pandemic actually put more focus on Austin. We had more and more people saying hey, I don't want to be in the bay area anymore, not to be in New York City anymore. I don't want to be on the pacific northwest anymore. Austin looks pretty good. So

even though we have added a decent amount of housing supply, demand growth is greater and part of the reason for that is if you

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take a longer term perspective in the last 10 years in the city of Austin we've added almost 32 and a half, 32 house and change more jobs occupied by Austin residents than we've had permanent housing units in the city. I made a presentation about this and I made it to city council in October of 2018 and I said head's up, we're not building enough housing supply. There's a whole bunch of reasons we haven't done that, but you see it now. You sigh this disconnect between growth in the economy and our capacity to provide obviously a fundamental part of making the economy function. So what's happened? Guess what. Prices are through the roof. This is the average median home price. Obor is the Austin board of relaters. This is what is reported to the Texas A&M research center. I reported the annual wage

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in Travis county from the qcew survey, a quarterly consensus of employment and wages and the most recent data from the second quarter of this year says the average wage is 80,000 bucks. Let's assume that you have a two worker household that's double, that's a high. That's an aggressive assumption, a household income here of \$160,000 a year is a lot of money. A standard ratio, you maybe can afford three times that in terms of your house give or take. \$70,000 short of the median. \$188,000 short of the average. So it's not just folks who are on the lower end of the income spectrum, it's folks that are solidly and some on the income spectrum that are still challenges in terms of affording owner occupied housing. And one of the reasons for that is months of available housing inventory. You will see it's very, very low. The mayor referenced this

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earlier. He's absolutely right. The scale on the left is deliberate. Six months is what Texas A&M tells us is a balanced amount of supply in market. So six months worth of housing supply, it's not a buyer's market, not a seller's market, it's right in between. We haven't been at six months in over 10 years, July of 2011 was the last time we were at greater than six months worth of housing supply in the Austin metro area. You can see even just going back six years how relatively low it has been, that's October data for the last six years or so. Again, just making the point. Next slide, please. So further emphasizing this one would expect that rent would grow over time. Average monthly rent would grow over time and it did right along at a pace that really wasn't completely out of bounds until lo and behold the last 12 months or so and there's an inflection point. What this tells us is again we've got to work harder than we have and we've got to be doing all the things

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you guys have Teed up talking about to increase supply. This is as good an indicator as any when the average monthly rent goes at a rapid increase like that it means there's just not enough supply across the equation. So a couple of concluding slides and then I'll stop. Next slide, please. So this could be the roaring 20s. It's an interesting time. It could be really a boom time in Austin. In fact in many ways it already; but supply and capacity, there's two parts of the equation. One, if we can't meet our supply capacity needs we are not going to achieve the potential, but even more than that when we don't have adequate supply, when we don't have adequate capacity, it puts a disproportionate burden on disadvantaged communities. And that's speaking in terms of income, too often times disadvantaged communities highly correlate with demographics. At the end of the day we have been thinking for awhile as a community about how do we reach to the

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people who we're leaving behind? This market has in my view brought that into substantial relief and that now the gap between those who were doing well in Austin and those who are not doing well in Austin is widening and it's widening damn near on a daily basis. So all of these things that we talk about are strains. We're talking about rapidly rising costs, we're talking about unprecedented levels of congestion. We're talking about strains frankly on our communities' cultural monies. It's all taking a toll on our quality of life. We talk specifically at the bottom on the housing side, we sort of beat the demand out stripping supply orders to death, but one of the things that's also happening we're seeing here is this housing is an asset where you have investors coming in and bidding up prices. And again that's a big challenge for us as well because they have a financial capacity that the average person seek to go buy a home does not have. They have a longer term view, they have access to

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cheaper money, etcetera, etcetera. And then there at the bottom all those things that contribute to what we're talking about. And I'll wrap up with this one. So affordable housing in the technical sense is an incredibly important part of the equation and when I use that term we're talking about housing that has to be subsidized, whether it's often done at the local level or at the federal level. We've got to go beyond that. We have to go beyond that and meet the challenge of better aligning demand and supply across the spectrum. We are now beginning to see a little bit of softening at the high end. I don't think we need to worry too much about-million-dollar plus homes but we definitely need to be worrying about creating housing that responds to a range of income levels, part of for some of the reasons that are articulated there in the subbull let's and the mayor Teed one up very well, it is true that the market is fungible. People bleed back and forth between it. If I can't find a house that

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fits my income parameters, I'm going to go down the scale and I'm going to squeeze other people out. So that's an important part of the equation. The other thing we have to be aware of

is that there's investment capital looking at this community right now. This guy found me. He's a billionaire out of the Cayman Islands. He asked me a lot of stuff. Incredibly mundane, has more money than he knows what to do with. Interested in spending a bunch of money in Austin. His evaluation is 100% about rates of return. He's got rules he has imposed on his investment process to say I need to generate this rate of return across my investment portfolio. If I can make 12% in Austin, I will do it. If I can't make 12%. If someone says take 5% or 6%,

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because it is still a lot of money, he'll say, no, I need to make 12. We have to be aware of that as we think about everything we're talking about doing. Specifically on the affordability side. It will be challenging to find traditional sources of capital to take reduced rates of return because they have other opportunities elsewhere to achieve that. What can we do? We're having to talk about increasing supply at all levels, with the exception of high-end. I was heartened by the conversation about talking to universities about student housing. That makes all the sense in the world. We have to talk to every public sector institution. I can say that. Every public sector jurisdiction in the area about accessing publicly-owned land for housing. That is not just the city. Could be universities, could be county, state. A lot of students there. We could be talking about working with some of our campus-based employers to actually build housing on-site. I was lucky enough, the county

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asked me to help them do the negotiations with Tesla when they came. I got to know the Tesla guys well. One thing they're contemplating is on-site housing. They have 3,000 acres, probably won't use that for their purposes at all. We have a number of campus-based employers here in town we could talk to about housing. Per the mayor's question, we could talk to them specifically about on the incentive side what moves the needle. I don't know that answer off the top of my head. I know we can discover it if we have a conversation with them. Streamlining the regulatory process is something we can talk about. I'm not an expert on that, I wouldn't pretend to be. We're attempting to make it easier, we have to also look at how do we get denser? As we talk about getting denser -- again, I'm encouraged to hear you say this -- we have to think about it in the context of things like Project Connect. Density is Austin until you

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mess up traffic, when you mess up traffic, it is frustrating. As we integrate transportation with land use planning, we have the potential to maybe increase density within the city limits. I will close with this. This in my view is the most significant economic development issue facing our community. When I say this, I think about the inextricable connection between housing supply and available workforce. I tell you what, we have a lot of cops, teachers and folks that provide the backbone of our city services that don't live in the city of Austin right now. Pretty soon it will be just a whole lot easier, if you are a teacher rather than beating your way up I-35 from Kyle, why don't I go work for Kyle I.S.D. When that happens, then we really do have problems. So I

think it is an awesome conversation. I am glad you guys are doing it. Happy to answer any questions, expand on any of this. Hopefully this is the start of

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meaningful progress. Thanks. >> I have a question for you Mr. Hockenyos. I wonder if you can go through the data that is listed for housing start, listed on msa, focus it down for city of Austin. For obvious reasons we have zero impacts outside of our borders and limited within our borders as well. Could you redo the slides for us? >> If I had the data, I would. I have some of the data that is actually city of Austin. That comes from a site called apartments.com that published that, I believe that is slide 7, if I remember right. And some of the data on for example, available inventory and all that comes from the Austin board of realtors. They cover an area broader than the city of Austin but they don't break it down. We might be able to get it

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broken down by the city of Austin. I will call them and ask them. >> That would be immensely helpful. To the city manager, if we could have that be a larger conversation within our city staff, we really should not expend our energy beyond our borders with regard to that and maybe just target the areas where we have some influence more tightly and specifically. Thank you. >> Mayor Adler: Council member. >> There are folks -- >> Ellis: I think both might be helpful to see all that information. >> Most of the time, it is a matter of assembling information from different sources to obtain an overall picture. The message we're trying to send is just, I think it is pretty separate forward, we need -- straightforward, we need more housing supply. >> Mayor Adler: Council member

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kitchen? >> Kitchen: I think there is general agreement that we need more housing supply, so this is helpful. What I would like to ask for if you have it is a breakdown -- I don't know the appropriate breakdown levels are, but this high-level information is very helpful, with you I would like to drill down and understand it by income levels. So in other words, maybe it is by pricing of the housing. >> By pricing of the housing. >> Kitchen: I appreciate the comment that we don't need to worry about million-dollar houses. I think we're aware of that, and that is helpful. But I would like to really understand where we're seeing the most issues. I mean, let me say so I'm not misinterpreted. I do agree, across the board, we need to address housing supply across the board, but I think that I wouldn't want to do some things and then walk away and say, we fixed the

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problem when we don't know the impact on what folks are going to be impacted. You know, I feel like I'm focused on folks for where we need subsidy is absolutely our responsibility. And we need to do a lot of that. We also need to think about our middle-income folks, 80% mfi, 100,

120% mfi. >> Yeah. >> Kitchen: But if we don't have the targeted data we won't know whether we will be successful. Is that something you can drill down and provide to us. >> I certainly can try. I will talk to the board of realtors folks have all the data and every single transaction. Certainly on the for sale side we should be able to do that. I think we can probably get more targeted information on the rental side, too, you assume some standard ratios. If it is a \$300,000 house, that assumes someone has \$100,000 a year annual income. >> Kitchen: Do you have a

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sense right now about where we are in terms of housing supply? Do you have any sense of that? >> Right off my horseback. >> Kitchen: Ok. >> Yeah, what used to be a \$400,000 house is now \$575,000 house. There are lots of people that could afford the \$400,000 houses. The days of the \$250,000 house in the city of Austin are gone. >> Kitchen: What is being built? \$500,000? \$700,000, and \$800,000 homes? >> Outside of the city of Austin is 350. >> Kitchen: Yeah. We need understanding of what we can do that impacts outside of Austin. I hear what council member pool is asking. That is why I want to understand what is happening more at a more detailed level. Thank you for providing that. >> Sure. >> Mayor, if I can follow up

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on my comments about the specific city stats. I'm simply asking that we get them because we have not had them before. I think it will add to this discussion in really important ways. >> It is an easier phone call when I say Austin realtors, city council wants to know. That is helpful. It is easier than just me calling. >> Mayor Adler: You know, in talking about the different kinds of things we're reporting about, you talked about subsidy and affordable housing and the true sense is housing that is not built unless you put a subsidy towards it. The next is that area of housing that we can increase supply by providing incentives. How we do the density bonuses, and the like. Not a direct subsidy, not require a direct subsidy. Increase that. There is market rate housing above that, that we want to

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figure out how it is that we encourage or create the right market for that. On the second to last line, focus again, a follow-up question you may not know the answer to it, with to incentives and how do they work, what are developers looking for? On the last page in your conclusions, you talk about institutional capital, focusing on maximizing rates of return. What does that mean? >> That means when institutional capital says how do we allocate money. We'll typically have a portfolio of investments, each has a different expected rate of return and have an overall targeted rate of return within the portfolio. Pick a number, 12, 13, 14% is the working number right now. When they go to make investments if someone says to them, look, guys, if you build this in Austin, yeah, the rate of return is over 5%, 6%, it is still a bunch of money to be made if you do this. The answer may well still be



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no because they have preset investment parameters that guide where they make decisions. If they have to reduce the rate of return over here, that takes the whole portfolio out of balance. So what I am saying is we are competing for institutional capital. We are extremely attractive, we're perceived to be a hot market to make money. But there are lots of other markets, too. In the process of doing, this say we want you to take a lower rate of return, we may very well not be able to have the investments made here that we would otherwise find desirable. >> Mayor Adler: Thank you. Council member alter. >> Alter: Couple of questions and a comment. Do we have an idea of what portion of the housing stock for short-term rentals. >> I don't know off the top of my head. My guess is it is not very big at this point.

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I got to think it is well less than 5%. But I'm not certain. Anybody know? >> Alter: 5% of our housing capacity would be what? >> Oh, gosh, total housing, probably not that much. I don't know off the top of my head the total number of housing units in town. >> Alter: City manager, it would be helpful to the extent that we have that information, you know, we may have to look at revisions to some of the rules because of changes at the state and court rulings, et cetera. But I think that there are plenty of folks that feel like we see people buying investment properties and using them as short-term rentals even if not allowed to. Certainly we hear a lot about situations where we have unregistered short-term rentals, et cetera. And if we are taking housing stock out of operation, that does impact the overall housing if we're making it easier with the new housing

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board to become a short-term rental, that is also taking housing out of the stock that current residents can use. Second question I had was do we have any data on foreign ownership, foreign investment? >> I wouldn't know where to get that. I don't know that -- I don't think the board of realtors tracks -- I will ask them. But I don't think they track, you know, where the money is coming from. Even then you might not actually know. They might have foreign money behind something with a U.S. Shell corporation in front of it. >> Alter: Thank you. I will pick up on a little bit of the train of thought I think council member kitchen was going down. We can all agree we need to increase supply. That is not a sophisticated enough approach to policy if we want to address the challenge that is before us.

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We have to as the mayor suggested look at the different segments, but just to say we need more supply does not get us, we can do a lot of damage if we create the wrong supply or overvalue the land because we provide too many entitlements. In the article from the "New York Times," it was referenced a Kinder institute study out of rice. In that article on that report, it says that, you know, Austin punched way above its weight in housing production despite

having over 2 million in the metro area, compared to 7 million in Houston, dfw, Austin ranked 5th in the overall housing production in the pandemic year. The numbers of housing permits issued divided by the total population, the Austin housing production is way ahead of any other city in the nation. Only city that was remotely close to Austin was Nashville,

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which is experiencing a similar boon in population and prices. That was the Kinder report that went with that, you know, so we're creating a lot of supply. That is the msa and not city number. That is part of the reason why we're trying to understand the nuances there. But then the article in the "New York Times" talk about demand. This is not simple supply and demand in terms of trying to figure out how to solve the problem, you have to also understand the demand that is coming in is for folks that are working in software jobs where they make well over the median income. 100, \$150,000 income. And that is creating issues as well. So there is a whole set of issues that when we only focus on the housing part, we miss, which is the inequality in our society. If we want to keep people here, we have to find ways to not only fund in housing, but

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also to increase their incomes which is, again, one of the reasons why I really think that we should be pursuing some of the issues about labor supply in the skilled trades, for instance. But there is a lot of different, if you think about it more broadly and think about some of the other nuances of this supply and demand equation when you go beyond week 1 of economics 101, you see a whole host of different policy levers that you can be doing that really get at the challenge that is before us in ways that just simply say we want to increase supply everywhere doesn't get you. >> Mayor Adler: Mayor pro tem?

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Hair I had a wardrobe change, it is not working for me today. I have a lot of thoughts here. One of the thoughts to just piggyback on, where council member alter was, I wouldn't even say we're in a different place, I would say we have a different perspective. So some of the questions, concerns, et cetera that my constituents are expressing are just different. I mean, if we're being entirely honest, talk about the wealthiest and poorest part of town. My constituents, their concerns are different. So as I'm trying to listen through their concerns around housing, one of the things we have to do is teach people who have never been taught about housing, land use, urban planning civil engineering, this is not their subject matter expertise. They don't know how to do

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this. Well, I don't know how to do this half the time. So bringing people along to where they actually understand what is happening around them, right? That's a critical component. So the

a boards of the world, the real estate agencies, all these people who are talking to folks about land use and urban planning, but not subsequently actually teaching them how the stuff works, how the fist -- boom -- if there is not that part, then we're leaving people out of the conversation and we're just talking about them. You understand what I'm saying? And that is problematic. So I wanted to say that. And I also wanted to say, I think it is really interesting that as we enter this conversation, Mr. Hockenyos said something that piqued my interest. Mr. Hockenyos, you said something about -- I can't remember exactly. I'm sorry, I can't articulate

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exactly how you said it. It was something along the lines of building houses but not building transit. Like having things be incongruent, right? >> Yeah. >> Harper-madison: I appreciate you brought that up. The truth of the matter is, we cannot, as a community, move forward unless we make things congruent, make it make sense and bring everybody along. Nobody can get left out of this conversation, if we're going to do it right. So I literally, as we have been on this call, you know how you get the bar across your phone. Boop, Boop, chappy Jones, yeah, I called you out. Chappy hit me up, sent me an article about extraordinary housing costs in Austin, Texas. Extraordinary housing costs. How Austin became the most expensive place to live. So I'm going to tell y'all a story real quick. This is not a question so much as like I'm going to tell you

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a story. The house where I live, and the house across the street, they cost the same amount. In two years' time, that house doubled. There is a house across the street from me that cost \$1.5 million. It is a regular house. This is like a 1100 square foot house that costs \$1.5 million. On the east side. So I was telling my mom that, she was like what!? I used to know so and so that lived in that. I was like yeah, mom, it's a whole new east side. Right? The point I was trying to make there, not bringing people along to where they understand where we're headed and how they can advocate for themselves, how they can either age in place, remain in their houses, figure out how to monetize their yard. Like y'all, we're -- so while

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I can appreciate there's a lot of high-level, technical conversation about land use, all the people we're leaving behind, those are the ones I worry about. So Mr. Hockenyos, I wanted to ask you, given your circle, what conversations are y'all having with poor people or people who don't know how to age in place? People that don't know they don't have to pay school taxes any more? People that don't know your busted foundation or broken roof doesn't mean you have to move? Speculators they will keep calling you. So what are we doing as a community to make sure we're all in this together? I just want to gauge from you, if you wouldn't mind sharing. >> I don't mind sharing. Interesting. The poor people I talk to the most are really young people. You know, the people in their early 20s who are working jobs that might pay 16, 17, \$18 an hour trying to figure out how

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to live in Austin. There is certainly plenty of other folks lower down on the income spectrum, I don't talk to them as much. I have the good fortune to have access to an a lot of young people. I came to Austin a let's of folks did. I came to university of Texas for grad school. I stayed because it was a great place. I first came here, I was cheap, I was rich, I had all the money in the world. Everything was five bucks, rent was two hundred bucks a month. That's how old I am. That situation, I talk to the version of me in the early 20s doesn't exist any more. The I don't think people that are here are trying desperately how to figure out how to live in the city of Austin, access the quality of life they perceive the city of Austin provides and yet with very limited resources. They don't understand they're like oh, my god how can I pay that much in rent? I just rented this place, a year later the landlord wants

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to increase my rent by some giant factor. How do I deal with that? I have been lucky enough -- call it luck, I have been involved in restaurants for a while. Our workers are all part of that conversation, too. So it is -- they don't have the capacity to understand, see the bigger picture in how all of these fit together. What they see is the tip of the spear. The tip of the spear is my wages don't go far enough to cover the cost of living in the city of Austin. Those are the folks I talk to probably the most that are lower down the income spectrum. >> Harper-madison: Chair, if you may -- Mr. Hockenyos, you said they don't have the capacity. Per what it is worth, I'm an elected official, I don't have the capacity, I'm still learning. >> Right. >> Harper-madison: How do we teach the general citizenry? How do we do that in a way that is not condescending?

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You know what I'm saying? You say they don't have the capacity, of course they don't. If you don't have 12 years of land use experience, how would you know? >> Right. >> Harper-madison: So now, when you say they don't have the capacity, I appreciate that, because I also don't have it. And how do we fix that? You don't have that answer that question right now. You can easily just -- you know. >> I will give you the short answer. >> Harper-madison: I think that is a question that we should be asking ourselves. >> I don't know that I have a great answer, except to say, the more of these kind of conversations we can have about connecting the dots, seeing the bigger picture, and understanding that greater supply will actually help bring prices down a little bit, connecting it to transportation, understanding that at the end of the day, you know, the big decisions are the sum of all the small decisions, and that all the things that you have talked about, all of the historic contributing factors to where we are today and charting a course on how to get out of

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that. And council leading and communicating saying this is where we will go. And here's how you can check our progress. These are the metrics we will layout. At the end of the day, as a

citizen, I don't elect you guys, you know, to make sure I understand everything. I elect you to lead the community in the direction that I support. And so I don't think they have to understand all the fine details of land use planning. I don't either. I think they have to believe that you are leading them in the direction that will make their lives better. Hopefully we'll do that. >> Mayor Adler: Colleagues, remember, we have the city presentation. It will be 30 minutes at the end of this. Council member tovo. >> Tovo: Mayor, thanks. I suggest after we conclude this piece we could consider taking lunch before we do the next presentation, given the time. Mr. Hockenyos, I had a couple of questions for you. I see some of the suggestions that you have in your presentation about some of which are well underway, the access to publicly owned land

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is something I know I've done at least three resolutions on, we now have projects moving forward on healthsouth, on saint Johns tract, 1 Ryan drive and on Texas center, there is hopefully more we can do on that on our council and other public entities, I think that is a powerful tool. I want to ask you about two of the other things you mentioned in your comments and here. Public policies and programs to encourage campus-based employers to build on-site, and also programs and policies to encourage campus communities to build universities to build and colleges to build housing on-site. Are you familiar with any other examples in other places that we can look to that might provide models for those? And before - - and when you finish, I want to make a comment about str. >> The answer is off the top of my head, I'm not.

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I should be able to look into it. I'm doing work for Texas A&M system and believe it or not Brian College Station has a housing crisis as well. We're working with A&M the system to think about how to build more housing of all kinds. Their housing prices is affecting their faculty recruitment and retention. They have other issues. If you are the partner or spouse of a faculty member at A&M you have challenges finding appropriate employment. We're working on that. I will do some looking around and see what I can do for case studies and examples that could be helpful to us in both of those areas. And then some of it will take time and some iteration with the universities and with the campus-based employers to see, ok, what do you need to make this happen? You know, how does it work? >> Tovo: I look forward to that part of the conversation today. We have a lot of community

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members interested in these issues. They can also help us with some of that research. I know I haven't looked into programs elsewhere as well. But except in very limited sectors. I know we had some conversations at the joint subcommittee a few years back at programs in other parts of the country and state to encourage teacher housing on school lands sometimes in partnership with cities. I think that's a real interesting initiative. I hope we can continue to move forward. But in terms of within the private sector, I'm less familiar with it. Council

member kitchen, I know you and I talked about it, and looking at added incentives for one of the projects that we -- I can't remember quite when we had that conversation here on the dais, but there was a conversation that I believe you led in terms of trying to make some housing available to staff at Westminster or something along those lines. >> Kitchen: It was Westminster, yes.

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>> Tovo: Thank you. I had forgotten exactly the circumstances. I invite you and others to provide us with examples of programs and policies working well elsewhere. And then city manager, we had a conversation, I think council member alter raises a really good question that has come up from time to time. It has come up in every conversation about short-term rentals and other cities that are really, really finding that short-term rentals are competing -- are really taking over the opportunities for long-term rentals. I know that we have a significant number of short-term rentals in this city that are operating illegally. And perhaps our best source of information on that, if we're trying to quantify how -- what that percentage looks like, we might look to the code department, which is tracking and familiar with, you know, the range with advertising that is going on with regard to the nonpermitted, illegally operating short-term rentals. I don't -- and I would ask you

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where the -- what are you basing that 5% on? >> The number I looked at in a couple of other communities. I said less than 5%. I looked at it a long time ago. It was a fractional amount. >> Tovo: But not based in Austin. >> I actually looked at in Austin a long time ago. It was less than 5%. My impression is there is more housing growth in general than there has been in short-term rentals. The challenge, which you clearly articulate is which is the high priority that we're not tracking. >> Tovo: I mean, what we permit is 3% per census tract. What we permit is indeed less than 5% of the housing stock. However, you know, we have -- we all know that we have significant -- let me say significant challenges in terms of enforcing the rules. Manager you and I had this conversation, it has been a

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while. It is something our code department needs to attend to and bring us recommendations we have been talking about, because frankly they're interfering with the housing opportunities for austinites. Ok. I want to understand better where your estimates are coming from. I think we have more information within our city, within the departments that really provides some level of expertise on that issue to get more clarity on that. Ok. Thank you. I look forward to more examples of those two areas that I think are promising both in terms of encouraging private employers and encouraging college and universities. Thank you. >> Mayor Adler: Council member Renteria and council member alter. >> Renteria: Yes, thank you. John, I was mentioning earlier in my comments that I'm having

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a very difficult problem even talking about tax credits to these big corporations that want to move in. I've been using that conversation, if you use that money just to build housing for your employees, I will consider it, but if it you don't, don't even come talk to me about it. And you just mentioned that you had conversation with other corporations that are talking about building housing for their employees, which I really promote if they could just build the apartment units there next to their campus. How would you think that conversation has been going with some of the campuses is going? >> Early stage. It is not top of mind for

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companies looking at Austin. It is beginning to emerge with some of the employers here in town. It is early stage. I want to talk to the city and by extension other jurisdictions about how to work with the city, whether it is financially or otherwise and how that might work. That's to be determined. But I think it is an area of opportunity. I think we could identify -- I call them a number of campus-based employers, with a significant amount of land, some they will reserve for future operations. If you think about it, it aligns well. The community's needs and company's needs, it is easier to attract good folks if they can walk across the street to go to work, or ride their back. That gives us more housing stock, takes trips off the road. There is a lot of potential synergy there. We don't have a program yet or a plan to do it, it is a

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conversation in my opinion that is worth exploring to see if we can work something out and move the needle and moving the needle is building more housing in those locales. >> Renteria: Thank you. Mayor, we should really explore this. We are having a lot of pressure put on us by having the businesses come in here. A lot of them bring their employees with them. I would like to see how we being work something out where they also would build their housing for their employees and that way it would relieve some of the pressure on us of having to provide the housing that is needed. And I think if we were to do it that way, there wouldn't be as much pressure on the low-income housing that we have. Where we're offering them a half a million plus now for a house that I know they're going to tear down. You know, if you are investing

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that kind of money. So I would like to see us working on that also. >> Mayor Adler: I hear you. Alison? >> Alter: Thank you, council member Renteria, I think that is an interesting direction. I think it is really important to see if we can find ways to get folks to invest in campus-based housing like that. I have a question for the city manager and legal and you can get back to me on this. I think it would be really helpful for us to get an updated memo on the fair housing act and what we can and cannot do in terms of targeted housing incentives or zoning because I think that there are, you know, while we might ideally want to be targeting in certain way, I think that those laws would

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preclude certain options. I think it would be good for us to have greater clarity on some of that legal piece there. That's part of the reason the tax credit idea that council member Renteria has when building it on the campus is a good one. There are other things we might do, but I would like to understand what is precluded or not. If we can get a memo, attorney-client, or not, or whatever you think is best or recirculation of a prior one if we already have one -- which I think we do -- I think that would be super helpful. >> Council member we would be happy to get that. >> Alter: Ok. Great. Thank you. I think that's what I wanted to ask right now. Thank you. >> Mayor Adler: Ok. Great, Ann? >> Kitchen: First, council member Renteria, I think that is a great idea. I would be happy to work with you on that. We might some have basis in that in the way we retired our

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380 agreements to focus on employment. We can look at those and consider adding to that. I think that is a good idea. Council member alter, I think that -- I don't know, I will have to ask law. We have a scheduled executive session next Tuesday. It's not focused on fair housing, but the -- there might -- it might relate. So I'll ask law -- I mean, next Tuesday's is focused on, you know, what can you do about, you know, certain aspects of relocation assistance. And some of that bumps up against the limitations that you are mentioning. So if it makes sense we can do it together. If not, we can consider another executive session for that. >> Council member, we were waiting to see what happened today to decide how to post for next week. >> Kitchen: Ok. >> So we can cover more than just -- >> Kitchen: Yeah. There -- there is some relationship there between

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those laws. So then my last quick question -- just a quick question as a follow-up. >> Uh-huh. >> Kitchen: I am intrigued by the issue around institutional capital. Because anecdotally, I have heard from constituents about -- as you mentioned, you know, the -- it makes it difficult for people to purchase because the folks that can come in and buy with, you know, with you know lots of money. I'm curious about -- what I'm trying to understand is how big an issue is that for Austin? How big a factor is it for Austin in terms of driving prices up? I just don't know. The second thing I'm curious about is just -- you know, you mentioned that, you know, those entities have to get a certain rate of return. So you have to think about your requirements and what

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that might do to their rate of return. My question is, are they contributing to our housing supply in such a way that we need to be concerned about whether we have institutional capital here? You see what I'm asking? >> Yeah. >> Kitchen: You are suggesting that we need to be sure



and not do regulations that impact their ability to come here, but what are they doing when they're here? That's my question. Are they helping us? >> Not really. >> Kitchen: Are they helping us in our supply, if they're not helping us, I'm not certain we need to be as concerned about their rate of return. That's my question. >> Two different things going on. On the one, when I talk about housing as asset, that is a group that says let's go buy 20 houses in Austin and turn them to rentals. They're buying the existing product. It is a problem, but it is the tail, not the dog. It is part of the problem. It contributes to the problem. But it is not the fundamental

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problem. When I talk about institutional capital, I'm talking about pension folks and folks that make decisions for major development projects. So largely, those major development projects at this point have focused on the upper end of the market. Whether it is rental housing or whether it is typically those are guys building rental housing, might do owner occupied multifamily. They're doing that, one, because it is fairly expensive to do a major development project in Austin. They can spread the cost over a project that is going to give them a substantial rate of return. And because there is plenty of market at that end of the housing market for them to take advantage of. So they help us only in the sense that they don't force people who would buy their product to move down market. So that is helpful. But they're not really building at this stage of the game, in the city of Austin new product that is going to directly meet the needs of most of the folks that I think we're implicitly concerned about here, which is our

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workforce. >> Mayor Adler: The other side of the equations that I'm asking about is in terms of incentives. To make an incentive work, what drives that? If the answer to that is you have to maintain a certain return in order to get someone to use an incentive, one of the questions I need to ask when we talk about incentive levels is what return does that allow? Which I imagine is the calibration process to determine whether someone will take an incentive or not. >> Kitchen: The other aspect of that is, who do you want to incent? It is not that we need to -- that is part of the calibration. It is not that we want to set it so low that we're incenting everybody and not getting as much affordable housing. I think what you raise is an important question. >> Mayor Adler: I have no desire to incent the institution with high-priced homes. The question is how do I get people to use the incentive to deliver the affordable housing that the incentive is trying

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to get people to do. >> Kitchen: That probably varies. >> Mayor Adler: That is the question I was asking. >> Kitchen: I'm sorry. >> I will give you real world examples. San Antonio did an incentive to have as a right incentive to build downtown. You checked a few boxes, you got the incentive. No review, conversation or judgment applied. It was as a right upon we saw that incentive was baked into the price of the land because people knew it was coming. If you knew

it was coming, you knew you could take that incentive and put it in the pro Forma. Landowners began to raise land prices. One thing when we talk to people with incentives is you don't want to do things as a right. Everybody gets, by definition, because you run the risk therefore of then it being priced into the overall market. So in our case here, we're talking about creating

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incentives, I would suggest we develop a process and develop programs that allow some flexibility, that allow some variability, that allows some give and take, to say if you do more here, you will get more. If you do less over here, you will get less. There could be a range of evaluation parameters so that it doesn't end up being baked into something like land prices. >> Mayor Adler: The question I was having in terms of incentives that I never made clear on, if we say to somebody we give you an extra floor, certain percentage of your house for availability, is it 10% or 20%. It is better to ask for 20 than 10 before I prefer 20. Do I ask 60% mfi, 40% mfi. 40% is better than 60, but am I asking for multibedrooms? Because some policies say it is better to have family-friendly units.

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All of those things impact yield. >> Yes. >> Mayor Adler: If I'm not watching the yield, I do an incentive, you get an extra floor if you do affordable housing. How about does the extra floor because it is not driving the yield we need. >> That is exactly right. The answer -- I know you know this. The answer is we have to figure it out. That is a moving target. What might be the right yield number today might not very well be the right number six months from now. Because it is a dynamic world that we live in. >> Mayor Adler: All right. Any other questions before we take a break for lunch? >> You have council member. >> Mayor Adler: Council member alter. >> Alter: Thank you. I wanted to comment on the last bit of information. I really appreciate Mr. Hockenyos, you raising the issue that, you know, the kinds of entitlements that are anticipated on the property affect the land cost, which then affects the cost of

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building the housing, et cetera. And how gets the benefit from that part of the piece. I think that is really important for us as we go through things and particularly, you know, that was one of the reasons that I strongly supported affordability unlocked because it really targeted, the extra -- the building -- extra building to folks that were really putting in quite an investment into affordability. As we're trying to think about these campus-based incentives, et cetera, part of the reason to understand with the fair housing. I haven't gotten very far with this idea yet, but I'm trying to figure out an analog to affordability unlocked with respect to campus-based or workforce housing. I want to throw that out there to my colleagues, that is something I am trying to think through and welcome conversations from folks in the business world that are trying to grapple with this to

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think through what something like that might look like where it provides what we need as opposed to just blanket everything or luxury housing. >> Mayor Adler: Colleagues, anything else? >> Tovo: Mayor? >> Mayor Adler: Yes, council member tovo. >> Tovo: I think it is an interesting conversation, starting with council member Renteria's comments. I ask staff to go back to the recommendations they made. We passed one, maybe two resolutions at the possibility of a neighborhood empowerment zone and providing some waiver of taxes for multifamily properties. And so I think we -- that was a resolution I had brought. And we got recommendations back from staff on how we might do that and they outlined some considerations with regard to that.

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I think it is -- let's try to have that conversation broadly about some of the paths that the staff have already considered. Because I think they may offer us some opportunity. We might get a jump on some of the conversation. I can provide those two memos to anybody that is interested. >> Mayor Adler: If you can post those, that would be great. In the bulletin board streams associated with this meeting. All right. It is 10 till 1:00. Let's come back at 1:30. We'll pick it up. We'll have a staff presentation. We'll have a 4:30 hard stop. The conversation, staff, will be what is the next step in this. What things do we pursue and how do we pursue them? With that, we will move off the dais. Anybody that wants to go out to the atrium is welcome to join. We'll be back on the dais at

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1:30. [Press conference]

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>> Mayor Adler: I think we should all be real proud of the 250 million affordable housing bond that was passed by the community. It was a step forward the transitional package, the \$300 million displacement effort put into project connect. The 20% homestead exemption. Adopted regional workforce master plan. But as we have seen from the numbers today, this increase in housing price and rent in our community has taken a pretty dramatic turnover the last 12 months. And the need for us to deal with housing affordability and housing supply is now just in relief. That's the work that the council is doing. But today's meeting is really to put a point on it. We got held up, everybody is

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waiting to see what happens in the court action, and that will eventually run its due course. What we do know is we can't wait for that. And we have to do the things we can do now. And we know that regardless of how that lawsuit turns out, we can account as a council on a lot of things just by reaching consensus, by adopting those things, we can adopt with a vote of 9 or

more members of council. And we're in search right now of what those consensus points might be. We saw one two weeks ago with the resolution from council member kitchen. We have seen that on some postings from council member alter and myself with other co-sponsors. I think there are many more opportunities for that. And that's the direction that we need to be moving toward now to find those points where we can move forward for now.

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And you're hearing from the council members when we're in chambers, there were some people, some stakeholder groups outside of the city that wanted a chance to be able to speak. We wanted to give them that opportunity in front of media. And on behalf of the council, I wanted to read a proclamation. Be it known that whereas Austin is facing an acute and growing housing affordability and housing supply crisis, at a time when cities across our region and country are struggling with raised prices for real estate, assets, and construction costs, compounded by supply chain and labor shortages, and whereas Austin a quality of life has attracted some of the largest immigration of any city [audio skipping] Whereas city council our community have taken many steps to combat this challenge. Passed the Austin housing blueprint and a historic bond over \$8 billion in

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transformational mobility measures, \$300,000,000 antidisplacement levy. And created the master workforce plan, given \$40 million in rental assistance to tenants and landlords during the pandemic. Passed the eviction moratorium keeping austinites safely housed during the pandemic. Yet the need for housing supply is greater than ever as we have seen in the past over the last 12 months. The community has reached a tipping point and renewed sense to reach this issue, and this is a challenge with housing. And austinites process the creativity, values and mind-set and community will to make meaningful change to preserve who we are and those who live here, Austin is rising to meet the greatest

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challenges, I Steve Adler mayor of the city of Austin, Texas on behalf of the Austin city council do hereby claim the week of November 29 as Austin housing affordability and housing supply week. It is a conversation that is ongoing, needs to continue. We're focusing on it today. We have some speakers to speak with you. We're going to have Mr. Casar with housing works, with environmental Texas, Kendra Garrett, planning our communities. And we'll start with Elise. >> Thank you mayor, I serve on the board of directors of housing works Austin and the advocate committee chair. Housing works has advocated for all kinds of homes in all parts of town for all sorts of people. We want to thank mayor Adler for the proclamation and designating this week as a

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time to focus on housing affordability and supply and calling this special session to discuss this issue. There is no doubt it is a critical time for our community to address this issue of affordability and supply to ensure that all austinites have adequate housing opportunities in every part of our city. In the past few years, our city has made great strides in addressing this issue. In 2018, Austin voters overwhelmingly voted in favor of the \$250 million affordable housing bond, in 2019, council approved the affordability unlock resolution to expand the housing opportunities. Just this year, council dedicated over 106 million towards homelessness. Housing works thanks mayor Adler, councilmembers and city staff for the efforts. The initiatives will make a great impact in the lives of austinites that have struggled to have safe, healthy, affordable housing. As a community, we have to do

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more and we have to do it quick. During the ongoing covid-19 pandemic the cost of buying a home has skyrocketed. The median sales price for a house pushing \$455,000 as of October this year. In the same month as the federal eviction moratorium lifted rents have risen 20%, past what they were previously before the pandemic. Whether you are low-income renter, a senior on a fixed income or whether you are a first-time homebuyer, there is no doubt that you are struggling here in Austin. In 2017, as a part of the Austin strategic housing blueprint, our community adopted a goal of creating 135 thousand new units in 10 years, including a goal of 60 thousand units that are affordable to households earning 80% median family income and below. Data collected by housing works Austin in conjunction with the city has shown we're only at 19% of this overall

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goal. And only up to 12% for the affordable housing goal. Unless we take meaningful and robust steps today to address this issue as a community, we will not be able to meet our 10-year community goals, around expanding affordable housing and market-rate housing including addressing the displacement of low-income communities and communities of color. In order to meet the goals, it is integral for our city to continue to expand existing affordable housing funding and find other innovative ways to fund affordable housing. It is equally important to develop and strengthen policies and programs that focus on affordable housing across the entire city, including density bonus programs as the council has discussed today, in showing housing dispersion and increased housing in opportunity areas, providing greater opportunities and creating flexibility for dwelling units, expanding choice and streamlining the

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process to ensure housing, particularly affordable housing can be built quicker and at a lower cost. Housing works is positive that with the discussions today, we'll move closer to addressing housing affordability in Austin. We thank mayor Adler and the leadership on this issue, and ensuring this issue stays in the front and is always important to what we're doing as a community. So we're happy to assist in this effort to ensure all austinites have access to

affordable opportunities. We'll pass it to Kendra from planning our community. >> Hi. My name is Kendra Garrett, I serve as a steering committee member for planning our communities. We're a group of people of color that are affordable housing and transit advocates and we're in Austin. We want to promote equitable

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access to healthy, affordable homes and neighborhoods to communities of color and working in Austin. I would like to second the notes around the comments previously stated. We as a city made great efforts of addressing housing affordability through the 2018 bond, 2019 affordability unlocked program and the 2020, three hundred million antidisplacement funding with project connect. Additionally dedicated additional funds is unprecedented. I would like to thank mayor, city council, city staff and Austin voters for the successes. With Austin being one of the fastest growing cities in America we cannot get off the gas pedal, to meet or exceed the affordability goals, it is imperative the city of Austin continue to increase affordable units and reduce barriers for residents to access the units with additional funding and policy changes. There are so many

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opportunities that we can and should explore and implement to address our affordability crisis such as one increasing units for residents at the lower end of the income scale. We need deeply affordable units so working class austinites have good quality safe places to call home. To maximize affordable housing including various housing types and opens up parts of Austin so everyone has a right to choose where they live to best suit their family's needs. To create robust antidisplacement programs to target outreach and resources to ensure particularly residents of color stay in their homes. Ensuring strong protection for tenants in accessing quality and good quality housing and streamlining the development process to reduce time and cost for affordable housing development to get on the ground faster and allow for more flexibility.

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We want an inviting and inclusive city that vibes from the various cultures, perspectives and experiences. What we don't want is residents to feel trapped in place or excluded from living in certain neighborhood or kicked out because they don't have access to transit or can't afford to live near their church, their favorite local spot or green spaces. We are excited for this discussion today and hope ideas brought forth create real movement toward an equitable, diverse and affordable Austin. Thank you so much for your time. >> Thank you, mayor. My name is Luke mets ger, I'm the executive director of environment Texas a nonprofit advocate for clean air, clean water, marks and wildlife and livable climate. The affordability crisis is directly fuelling another crisis, the climate crisis. Every time an austinite is

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priced out of living in the city, they are forced to go farther from the city to find housing, that means facing longer commute times, stuck in traffic, pumping out carbon, smog pollution into the atmosphere. They're living often in homes that don't meet the same strong environmental standards that we have here in Austin for energy efficiency and fight against water pollution and flooding. There are a lot of factors going into the affordability crisis, some we can't control, some we can. A lot are flowing out of land use decisions we have made here as a city, including from our outdated land development code. And too often that, you know, we can't build housing that is sustainable and affordable because of rules around that don't often make sense, whether it is parking requirements or onerous or expensive permitting processes for smaller housing types or prohibitions in building

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backyard apartments or accessory dwelling units. So we need to directly challenge and fix a lot of those codes, ideally in a comprehensive manner, but we need to no longer wait for action. The city has been doing a lot of great things, particularly on the public investment in housing, the affordability bonds we have done over the last year have been terrific. Great to hear the mayor talking about maybe another one of those soon. But we also need to spur investment on the private side and make it easier to build affordably and environmentally responsibly in the city. So we're very encouraged that the city council is working to identify areas of consensus to finally really tackle these problems and whether it is reducing parking requirements, making it - allowing people to build residential properties on commercial properties, you know, streamlining the permitting process for some of these things. Those are all good, important

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first steps and hopefully will move the ball down the court so we can ultimately build a city that where everyone in Austin can afford to live. And we're might be our climate and other environmental goals. Thank you. >> Mayor Adler: I want to thank my colleagues on the dais. Everybody is working in the same direction toward that consensus. I want to thank council members Ellis, Casar, kitchen, Renteria, Fuentes for coming this afternoon. I want to give you a chance to say something if you want to say something on this topic. I don't know if you all have any questions you want to direct to anybody up here? Yes? >> Talk about affordable housing that we currently have including infrastructure [indiscernible] That surround

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low-income homes that haven't recovered from the winter storm. What are you doing to address the current housing that is in place to make it safer and livable. >> Mayor Adler: Anyone want to address the code issue? >> Casar: In this last year, council took important steps on housing affordability, housing, we invested in unprecedented ways in homelessness and E duced the reduced the average property tax bill for homeowner and put in eviction protections for renters, that is not clearly enough to address the crisis we have. You asked about low-

income folks that are living in housing falling apart around them. There are two things to do about that. First, we need to make the investment into housing for working class people. That means new housing so working folks have a better option than the slumlord housing that exists.

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Affordable housing to bring it up to code. If there are rent controls, it doesn't rise as soon as it is remodeled. Third, we have been talking about is bringing more housing supply to this community. Because right now, we're in a landlord's market. If there is almost nowhere to rent, then people may not leave their apartment if it is in bad conditions because it is the only place they can get to. We have been hearing stories from constituents that are moving from one part of town to another. They're bidding up the rent, 15 or 20 people trying to bid up in the same apartment. You see that on houses, it is unacceptable it is now happening in Austin around apartments. We need to invest in the existing affordable housing, we need to build new affordable housing and bring more housing to the market. Part of how to do that is change our broken rules that are right now driving a little single-family house to be scraped and get replaced to an mcmansion. It doesn't add to the housing supply or help with the

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housing crisis. Compared to the alternative of saying let's fix up the house and have smaller housing being built that isn't hampers by so many fees and such a deep process because right now our rules are just leading us to the tear down of little house and construction of an M and that doesn't address our issues and I think what you saw today by the city council is to keep families in the city and especially the families in east Austin. >> Kelly: Home prices have been seeing at the rates we've been seeing since 2020. Why is the council just having this meeting now? >> The council has been having these conversations and we brought it up in housing committee right at those times that we were seeing the spikes. We brought up the conversation and what is really critical is for us to get to a nine-vote consensus. In the past we went through sometimes a multi-year debate without actually making changes that needed

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to be made to the land development code so there has been so much work behind the scenes. You've seen in housing committee that we've brought up the realtors, we brought up the data that's been covered by the media, but we've been working very consistently the best we can within the constraints of Texas law to get to a place where there is clearly nine, 10, 11 votes to advance the kind of change we need on housing affordability and supply. >> The rent here as more than doubled at this point and obviously more housing is needed, that's clear. What actions are council taking to keep it more affordable right now and also keeping people from leaving this area. >> Kitchen: I can't answer everything and I'll let the mayor and my colleagues speak to that. I want to give you one example and the -- there is no one answer. The response has to be a toolbox with a range of



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tools. So at our last session we passed vmu 2 and at our last session was vmu 2 that would allow up to 90 feet in the corridors in exchange for additional affordable housing. That's just one piece. We've also expedited it to have it catch up with some changes that are being considered right now in the planning commission to take what has been a successful approach with vmu to see what we can do to enhance it. So that's just one example for you [indiscernible]. Anybody else? >> Renteria: Yeah, we have been addressing the issue. Just like in my district, district 3, saltillo has 180 units. 18 percent of those are affordable housing units at saltillo and of course

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Chalmers is going through a big redevelopment where it will triple in size for the extreme low income of people that are making 30% and under. And then we also are redoing Rebekah baines, which is something that we're building there and putting all the residents there into another apartment complex being built right no next to it and we're modeling and upgrading that building that was built in the 1960s. So we're working really hard on that, but we're also running out of resources and funds and that's why we'll hopefully come back next year for another request for funding for housing. But we also need help from the business people and the corporations, especially the ones that are just moving in, and asking them why don't they buy enough land so that we could build workforce housing for their employees there on-site. That is going to be part of the things that we will have to be looking at in order to

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achieve real deep affordable housing. We do have a lot of tax credits out there and hopefully we can build enough roads that can stabilize cost of apartments and maybe even reduce the cost so that we could get more people, especially our [indiscernible] People. If we lose them and they move out of Austin they're not going to come back and they're not going to work for us and we'll be facing [indiscernible] Because they will have to pay a lot for to us keep these people in Austin. And it really affected all the businesses also. They're having a hard time to hire people because they're not here anymore because we didn't -- in the past didn't provide the affordable housing that was needed. So we're at 10-1 and really facing this issue and it's going to take us time. We've been working really hard since we got here and we have done a lot and still

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a lot more. You get labeled in the magazine as being the most desirable city to live in in the whole world then we will get people coming down here and we will probably get a lot of people of wealth coming here and they're going to out bid us. I paid 21,000 for my house and now it's appraised at almost \$700,000. Now, that's 40 years of appraisal and I never thought I would ever see that in my lifetime, but that's what's going on here in Austin. And that's why it's

important to keep on working hard to get this done so that we can provide affordable housing for our residents. >> Mayor Adler: I wish there was more immediate things we could do that would have an impact overnight. The kinds of things that you could do immediately we have done in terms of immediate relief for people to make sure that they don't lose their homes and they stay,

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which is why eviction rate in this city was lower than it was anywhere else in the country. It is amazing that the policies that we have in this city right now are producing more housing production per capita than any city in the country. You saw those numbers mentioned today and yet even still it's not enough for what's happening in Austin right now. The article that Ray Ann, the British company, rated our city internationally and found we were the most desirable city to live in and number two is Tokyo. New York City was four or five down on the list. This is an emergency situation we're in right now. It's an existential challenge. I wish there were more things we could be doing overnight, but even the things that can't be done overnight have to be initiated now. We just can't wait and we'll do everything that we can do. And that's what this is about is finding the

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consensus points and the council can move forward on and I don't know where all those points are going to be and a lot of the discussions will probably be hard here and in the meeting we have later this week and the meeting we have next week. You guys watched the debates we've had in this city over land usage. What we're trying to do now is something that's a different issue than what we have before and trying to find consensus on items that we can move forward on. And I don't think we know as we stand here today exactly what form of those things are, but there's a commitment to find them. >> If you get nine votes, hopefully more, what makes you feel like this is the time or is it? >> Mayor Adler: I think it's evidenced by the action the council took last week on the vmu 2 decision, the posting that councilmember alter -- you've heard the discussion here today about

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putting more residential in our commercial corridors. There seems to be nine votes for those kinds of things. So I think we're going to find in this discussion today about ads. I heard a lot of people talk about that. I think that there's going to be consensus on that. I don't know. There are other things that were mentioned too. We'll find out whether there's consensus on those. I'm not clear yet. >> The proposal that the council has talked about this far, the proposal that you and councilmember alter brought forward, apply to corridors, they don't apply to the majority of our city, which is zoned single-family. California, which has had a housing supply issue for decades and affordability issue, you know, made it possible to build more housing in places previously zoned single-family. Why are we not tackling housing supply in neighborhoods that constitute the majority of our city? >> Mayor Adler: I think we

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found as we went through the old land development code development that there was not nine votes, nine, 10 or 11 votes to make some of the changes that are being made in California. That support was not here legislatively to get the work done, but there are things that are happening in the middle of neighborhoods. Affordability unlocked is something that's not tied just to corridors. That's been a successful program that you heard support for. Ed Adu work is not tied to corridors. There were several ideas that were suggested this morning that are not just tied to corridors and I think it's incumbent upon us to find as many of those that we can and move forward on them. Not to the exclusion of the work on the corridors because that seems to be where the greatest consensus is so we should take advantage of that consensus that exists there too. Anything else? All right, guys, thanks for being with us today.

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>> Mayor Adler: We have a quorum. As we continue this meeting, I don't know maybe while I'm talking some of my colleagues that can hear will be reengaging. >> [Indiscernible]. >> Mayor Adler: We have a hard stop today at 4:30. My suggestion is that we stop where we are at 3:30 and then as a council talk about what happens next. Few so if we could have the staff give us their assessment we could have

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questions, but we'll end those conversations by 3:30 at the latest, hard stop 3:30, then we'll get back to us talking for now.

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>> Mayor Adler: Why don't you introduce yourself. >> You want us to start? >> Mayor Adler: Yes. >> All right. Can I get our presentation pulled up, please. Okay. So while Mandy gets some assistance to our av friends, Rosie truelove, the director of the city of Austin's housing and planning department. I'm very excited to be here today. It looks like the presentation is coming up. We have a brief presentation that we have put together that I think will complement what Mr. Hockenyos put together and presented to us before the break. Can I get the next slide, please? So we're going to give an overview of the strategic housing blueprint just to remind folks and reset for ethics who may not be aware of the housing goals that we have for our community. Mandy de mayo, our interim deputy director will be

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talking to you guys about some of the housing investments and the progress and success that we've had with that. Our new assistant director, newest member of our team, cupid Alexander, will be presenting on displacement activities and policies and programs that we have there and

then I'll come back and talk about some staff priorities before we turn it back over to council for discussion. I will go quickly through our slides because a lot of this is a little bit repetitive with what Mr. Hockenyos put together this morning. Can I get the next slide, please. So as you all are aware, in 2017 we approved, you all approved the first strategic housing blueprint for the city of Austin. It had goals to disburse affordable housing to create housing at all different levels of affordability, to count and track all new existing housing. To develop along imagine Austin centers and corridors and near high opportunity areas with a goal of preservation of 10,000 affordable units and to continue with affordable housing and continuum of care housing for people

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experiencing homelessness. A lot of this data is going to be comparable to what Mr. Hockenyos put together. Just to remind everyone that every five years we conduct a housing market analysis as part of our consolidated planning process. The purpose of the analysis is to examine demographic and housing market trends within the city and one of the top needs in Austin is additional affordable housing. Trends in the Austin housing -- the Austin rental market as of 2020's Austin housing market analysis includes an overall increase in median increase and a decline in stock of affordable rentals. The rental gaps for units renting at an affordable rate ranges from a shortage of 36,400 to 25,000 units after adjusting for student households. The city's investments in affordable rental units helped to stabilize the rental market by adding units to assist low to mod Matt income levels and by alleviating costs for low income renters. The city's investments are also producing affordable units within mixed income

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developments. And all of the details relative to the housing market analysis are on our web page. Next slide, please. So similarly with ownership the trends -- apologies. The trends in the market for ownership indicate an increase in median home value growth, a decline in home ownership amongst middle income households and a shortage in the city's inventory of for sale units that are affordable to households earning \$75,000 per year or less. Preserving relative affordability and adding attached homes to the for sale market will be important for opportunities among middle income households. The full market analysis information is on our website. Can I get the next slide, please? So this speaks to what's happening since 2020, which again Mr. Hockenyos alluded to. The Austin msa median sales price is \$455,000.

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You see it's kind of cutoff in the image on the screen and I apologize for that, but stint's median home price is 536,000 and this represents a 28 percent increase year over year. Can I get the next slide. The most recent scorecard for 2020 which was released this past September shows some progress in our blueprint goals, including aligning affordable and transit, which we're quite proud of. And can I get the next slide, please? And if you look at our three year blueprint progress, we have seen progress in middle and upper income units. Significant work remains in

deeply inaffordable and below. It is important to note that the blueprint tracts units that have come online, not units in the pipeline. I will turn it now over to Mandy and she will be sharing more information about that including information about units that are in the pipeline.

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>> Thank you. If we can go to the next slide. I get to talk about some of the fun stuff, which is the significant investment that the city of Austin has made over the last really 10 years in affordable housing. Using our federal and our local funding. So just to refresh everybody, in 2018 voters overwhelmingly approved our largest affordable housing bond, 250 million for affordable housing. Again, this is the third tranche of general population bonds for affordable housing. We also had successful elections in 2006 that was for 55 million in 2013 for 65 million. And then again 2018 for 250 million. If we go to the next slide, I did want to point out that our 250 million general obligation bonds is divided into four different program areas. One is land acquisition and ownership housing

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development and then our home repair program. We are currently on a five-year spend plan. We're in year four of our five-year spend plan. You can see the buy-down on the spent program above. I just want to orient folks to where we are with respect to this end plan. For land acquisition for \$100 million we are nearly out of funds. We have almost completely encumbered that \$100 million. With those funds we've purchased vacant land, approximately 60 acres of vacant land in nearly every city council district. We've also acquired four hotels through our hotel conversion strategy to convert to permanent supportive housing for people experiencing homelessness. That includes [indiscernible], country inn, candle wood and Cal terrace is our new acquisition. So that is virtually

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encumbered. Residential housing development we currently have a little over \$36 million remaining for the next two years. Ownership housing development we currently have approximately two million dollars remaining for the next two years. And home repair currently has approximately five million dollars in this year's allocation. And then allocations over the next two years. If we could go to the next slide, please. I want to do a 10 year look back to really celebrate some of the investments that we've made over the last 10 years as a city. Austin housing finance corporation over the last 10 years has invested more than \$180 million in affordable housing for our Roda, rent has housing development assistance and oda, ownership housing assistance programs. Our general obligations over 2016, 2018, represent over 75% of that investment. The rest of the investment comes from federal funding.

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We use community development block grant and block funding as well as other local funding like our housing trust fund. The last five years of investment represent more than double the investment of the previous five years. So we've really ramped up our investment over the last five years. If I can go to the next slide. As a reminder, ahfc invests in deeply affordable units so you can see where we from a rental perspective where we really play our largest role is 50% and below median family income. In fact, we have invested in more than 3,000 units over the last 10 years to serve people at or below median family income. These are lowest income folks who require significant amount of subsidy. If we could go to the next slide. One thing when Rosie was talking about the blueprint, the blueprint tells part of the story because that really is our units that are

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on the ground and we track those goals and those are really important. But our pipeline is also what is coming in future years. Incredibly important and really shows the fruits of our labor from our previous years' investments. The development cycle as you all know takes time. On average for our housing development assistance projects it takes about 30 months from the time the ahfc board approves a loan to the time somebody moves into that unit. So that's about 30 months where it's not showing up on the blueprint goals but we will see in future years. So you will see again this is a 10 year projection on the left-hand side is rental housing assistance, and we verify that the folks living in the units are actually income certified and income eligible. And then you will see over the coming next really three years the Orange represents what we are going to see in the future. The left-hand side is rental housing development and the

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right-hand side is owner housing development. If you go to the next slide, this shows our continuum of care pipeline, which of course this has been a priority of council. Continuum of care constitute housing first units, so low barrier units that are providing referrals from the coordinated assessment. So these are really serving people experiencing chronic homelessness who are the hardest to serve. This is a subset of our rental housing development assistance. Sometimes these units are incorporated into larger tent tall projects and sometimes they're standalone rental projects. We only looked at a five-year kind of snapshot here and you will see we started tracking these units when terrace at oak springs, which is a 50 unit development by - developed by integral care, when that first came online. That is of course fully occupied and in council district one and it is a fantastic example of low barrier permanent supportive

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housing for the chronically homeless with tons of wraparound services. So you will see we have a five fold increase in rental housing development in our coc units in the coming years, which is really something to celebrate. I wanted to show a couple of examples of projects that the Austin housing finance corporation board has approved. We'll go to the next next slide. This is

in fact nearly 100% complete. This is a project called viacoly. Na. It is located at oltorf and pleasant valley within spitting distance of a new project connect line. It's a partnership with a local woman owned business. It is 170 units, one, two and three-bedroom units, 100% affordable, includes five coc units and it will be opened, this is an aerial view of it, it will be opened in January of 2022 and and I've been tracking the pre-leasing of the

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units, particularly the low income units, are already pre-leased. It's very exciting. Next slide, please. This is a project you all are very familiar with. This is in district 4, he is sparrow at Rutland which is a partnership with a non-profit, caritas of Austin. 171 units, 100% affordable. 101 of the units are dedicated to the continuum of care so it's a very low barrier development for people experiencing chronic homelessness. It is under construction. I just drove by it recently. They're getting ready to go vertical, which is super exciting. I think many of you were at the groundbreaking in August. We are tracking it closely and we anticipate that all of the fall of 2022 is when we will be able to actually celebrate the grand opening of the development. Next slide, please. I wanted to talk about this, which is a smaller scale

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impact. As you all know and we discussed this morning, the cost of home ownership is out of reach for the median household for the city of Austin but certainly certainly out of reach for low and moderate income folks living in the city of Austin. One nationally recognized mechanism, legal model, to combat that, is a community land trust. We have a community land trusts here in the city of Austin and one of them is operated by Austin housing finance corporation. We do have a community land trust portfolio. We currently have 15 occupied clt homes. We have an additional almost 30 homes that are in the pipeline. Really excited about this. We just about doubled our portfolio with an acquisition about a year ago of haca, the housing authority of the city of Austin is getting ready to put a portfolio of single-family homes on the market and we raised our hands and said we would love to purchase them and we did. We are in the process of rehabbing them. I toured them recently.

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Five of them are ready to go and we'll be putting them out for as a package through a lottery utilizing our brand new preference policy this spring. And the preference policy will prioritize people who have ties to census tracts that have experienced extreme gentrification. We're really excited about that. We're excited about the lottery and the preference policy launch this spring and we will come back to you with more information but that should be 25 to 30 homes this spring. At an affordable price, super important. Can we go to the next slide? We've talked a bit about this this morning, but will really important connection between housing and transit. Prosecute and of course we're getting ready to make an enormous investment in high capacity with project connect.

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And the Austin strategic mobility plan for years, we are trying to align all of our housing investments to high-capacity transit. I do want you to know that we do have a map, an online tool that is available that shows all existing income restricted housing units in the city of Austin. There are different layers that also show our city subsidized and incentivized units, which is a subset of that. So you see right there we have almost 27,000 income restricted units in the city of Austin. A subset of that is city incentivized or subsidized, which is almost 12,000 units. Show regional specialist and ownership. We show projects in development. Which is our pipeline, very exciting. And one thing we talked about this morning as well which we're happy to talk about further, city and other publicly owned assets that we identify for affordable housing. As I mentioned previously, the city through our 2018

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housing bond we have -- we've purchased nearly 60 acres in nine of our 10 city council districts, vacant land for the development of affordable housing, which is really exciting because that is going to keep our pipeline going for the coming years as we acquire property and then put it out for solicitation for affordable housing, keeping ourselves very busy in the department doing some pretty great work that we wanted to celebrate and make sure you all are aware of. And with that I'll turn it over to cupid Alexander. >> Good afternoon, everyone. Before I get started I want to just mention that this is highly emotional work especially as we talk about our displacement prevention efforts and I've heard from the community and I applaud the effort and I know there's more to go, but I'm going to give a quick outline of some of the work that we've been doing. So our department has been focused on early intervention strategies,

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including neighborhood level strategies and community facing interventions that help families receive the assistance they need to stabilize. We have been intently focused additionally on information and education, sharing what we know with the communities that need this information the most. This includes census data, opportunities provided through housing assistance programs and creative partnerships with locally based organizations to help get the word out. We can't do this alone. So we are delivering not only prevention products, but an intentional action to build trust with the community and the work we do. In speaking about our efforts we're focusing on two primary areas, project connect and our tenant stabilization programming. Though today I'm focusing on these two, I want to be sure to mention we have many efforts in stabilizing families, including Austin is my home, which helps empower community members by connecting them to guidance and resources, including advisors, that help them

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understand the housing market, learn about predatory practices and inform them of the resources that they need to not only stay in Austin, but to help them stay in their homes. As you know, our project connect work has been guided by the efforts led in connection with the community catalysts who are asked to help provide a guiding framework that equitably helps inform not only the decision-making process for stabilization efforts in the project connect investment corridor but provides key insights to connect our funding strategy to the intended recipients. This is in addition to the community advisory committee which serves as a thought partner and fulfills the role of community-based leadership to help provide feedback and push-back when necessary on the equitable outcomes we aim to achieve through the project connect partnership. Additionally, what's important here is the investment corridor. As this area is very specific. Our guiding principle has

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been identifying the transit corridor and areas in the eastern crescent of the city as these are the areas where the projected anti-displacement fund can be utilized. On the next slide you will see the investment corridor, but before we go to that next slide -- sorry about that -- I want to mention our citywide efforts. We support renters rights assistance programs which AIDS with landlord issues. We also have host, which is an online affordable housing inventory which helps connect families with affordable housing and the emergency rental assistance program called the relief of emergency needs for tenants. I will be able to focus on the rental outcomes on the next slides. Thank you. So as you can see on the left, the host program allows for online resources to help navigate locating affordable housing that is available in the city of Austin. On the right you can see the project connect anti-displacement map indicating the areas that are vulnerable, at risk or have had continuous

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displacement in the project connect corridor. This map helps guide our work as we additionally craft our neighborhood level strategy. Next slide. This final slide serves as an overview of the rent program which for the time being has had all of the money disbursed. Our current statistics indicate we have helped over 8,298 individual families with an average of \$4,262 of rent paid per household. This is an average of just shy of four months' rent. In fact, it's 3.9 months of rent for an average rent disbursement of \$1,062. The resulting distribution of rent assistance to specific demographic groups generally reflects population information among low income renter households with over 65% of the households assisted concerning below 30% of the median family income. 24% of the rent funds were provided to black and

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African-American head of households. 37% to Latino and 27% to white. The remaining recipients self-identified in categories such as multi-racial, Asian, native American or they preferred not to disclose. Over 1,300 people identified as having a disability and over 280 were veterans. All categories were identified by recipients self-reporting from the head of household.

So close this out as the city of Austin continues to grow we will affirmatively reach out to all of our community members with a keen focus on the bipoc, disability and veteran communities with early intervention and displacement mitigation strategies and we will continue to focus on areas prone to gentrification and displacement connecting residents to services to help them avoid housing insecurity and receive the information they need to continue to thrive in the city of Austin. And with that I'll hand it back over to Rosie.

[2:20:22 PM]

>> Thank you, cupid and thank you, Mandy. It's really exciting to have an opportunity to show off the really good work that's happening within the housing and planning department and that's just a snapshot. So thank you for allowing us a little indulgence to showcase. Can I get the next slide, please? So the last thing I wanted to talk to you guys about is to kind of lay out what we see as some of our priority and horizon issues. The first is following up on what comes of today. This is a top priority for us. We're looking forward to the conversation that's going to follow and to providing support to the council as we work through what we hope will be some fruitful changes. We would like to tee up a public facilities corporation. This would be an phi affiliate of the Austin housing finance corporation and it would allow us to tap into a separate source of funding from the state that is not what we would normally be applying for through our current processes so that is something that you will see activity on in upcoming

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Austin housing finance corporation agenda. We are going to be teeing up a conversation about priorities related to the project connect anti-displacement funding. We have heard very clearly from our catalysts about what their priorities are and we want to hear that same information from the council so we can see how those priorities align and really get some good information for staff so that we could implement those dollars. We're going to be looking to continue funding housing investments. As Mandy mentioned we are largely out of funds for the 2018 general obligation bond so looking for additional funding and sources on that is going to be critical. We'll also be looking at how we can leverage public land for affordable housing and this ties with the next bullet and with what many folks were talking about this morning with Mr. Hockenyos, which is the idea of leveraging public land, partnering with local universities, other public entities and major employers. We've had some fruitful conversations already with

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the university of Texas and we look forward to expanding on those and to seeing what we can have to come and grow from that. I think with that staff's presentation is done and we want to turn it over to council. We have many people to help as you guys may need staff to chime in on things. We look forward to what comes next. Thank you. >> Mayor Adler: Thank you. A lot of good activity happening. As councilmember alter said this morning, we've done a lot, all the way to more housing starts than any other metropolitan area in the country and it's still not enough and we know that. So we have to have that more than we even are.

[2:23:25 PM]

Colleagues, it is by time check 2:25. We have a hard stop at 4:30. I am going to recommend that we hard stop at 3:30. At no later than 3:30 we start talking about what we do next and where we go to from here. I've handed out to everybody on the dais here and posted on to the message board a spreadsheet that Janine in my office did. She tried to capture the ideas that people had posted or people had supported. She tried to culture comments by people. Janine is really good. I'm sure this is not perfect. So if there are changes or additions that should be made to it or things that we missed, please make sure that we know. But when we get to that conversation later on about what happens next I think the intent here is not to stop anybody from being able to move forward on anything that anybody is moving

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forward on, but I think that it might be helpful if the staff at the same time took a look at this list in addition to council and manager, I've talked to you here just a second ago about asking staff to take a look that the to see what you think are the things that would have the greatest impact and be able to achieve consensus and how we might be able to do those things. So that would be real important input. Again, not to stop anybody on the dais from doing anything, if anybody on the dais and what they wanted to do. Anybody have any questions for staff on the presentation that was made? Councilmember Fuentes. >> Fuentes: >> Fuentes: Thank you. I also want to thank the housing department for your incredible presentation. I found it informative and I appreciate all the hard work you've been doing. Having this conversation to talk about our housing supply and housing crisis that we're in certainly I look at it through the lens

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of anti-displacement and what more can we be doing to ensure that our policies reflect that value and that commitment. So I'm really proud to be part of the council that has already demonstrated significant commitment in our anti-displacement work. I just had a couple of questions. On one of the slides you listed looking at expiring affordability for our income restricted units that we have already and if you could just briefly touch on what that work looks like and what can we expect or do we have a sense of how many units are nearing their expiration on the income restriction? >> We do. Mandy de mayo, housing and planning department. The map, the online tool that I pointed you all to, which is the affordable housing plus project connect map, has a specific layer for expiring affordability. It's something that we have been talking about for years. City council has expressed an enormous amount of interest of preservation of

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existing affordable housing. We didn't really have a mechanism to identify other than anecdote to identify where properties were coming up for the tax credit either renewal or reinvestment. And this tool has enabled us to look into the future, kind of into a sweet spot of what's going to be expiring in the next few years so that we can identify properties to potentially invest in and renew their affordable housing restrictions and most likely also layer in, leverage some local funds most likely in order to recapitalize projects. So what that will mean for you all as Austin housing finance corporation board, is that we are hope to go bring a couple of preservation projects to you in the coming year. It is a large undertaking. Most of these complexes are

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large complexes that require a significant amount of investment. So we are carefully looking at the properties where there is potential. We are also carefully looking at development partners, non-profit development partners who could bring additional equity to projects. And our goal in 2022 is to bring a couple of those developments to you that in fact align with project connect as well. >> Fuentes: That's great. Preservation is such a key component of our anti-displacement work in addressing affordability. I can't remember which support letter I read, but one of them referenced preservation bonuses and looking at that as a potential policy area so that would be an area that I would be interested in exploring or perhaps that came from a colleague. I can't remember. The other question I had is around the equity tool. Do we have an update on when that is expected to be finalized?

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>> Yes, within the next couple of weeks council members should be getting a draft copy, a finalized draft copy for your feedback in regards to equity tool in the framework. >> Fuentes: Good deal. Thank you so much. >> Mayor Adler: Colleagues, before we go any further, the office is asking if the work session for tomorrow is canceled? Does anybody want that held? All right. So that is canceled -- Kathie? >> Tovo: Mayor, I did have one issue that I wanted to discuss a possible postponement on. I don't think -- if that's the only issue obviously it doesn't make sense to have a work session about it. >> Mayor Adler: Do you want to say what the issue is? >> Tovo: Sure, this is the downtown Austin community court. I'm fully supportive of moving forward with the permanent location. We have had requests from immediate residents to have more conversation around that and I think it would be appropriate to have a public meeting and invite those residents and other stakeholders to learn more about the downtown Austin

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community court and to learn about, you know, how we intend to use that space and operate it. And so clearly there's not enough time to have that before Thursday and so I would -- I intend to request a postponement and have already reached out to staff to ask them to co-sponsor with my office a conversation. With whoever wants to attend. >> Mayor Adler: Obviously we can't discuss the merits because we're not set to be able to do that today, but for what it's worth I support your efforts in that postponement. Councilmember alter? >> Alter: I

have I think requested a meeting with staff with respect to the municipal court just to Just to get clarifications that I was hoping to get. >> Meeting are staff on municipal court? The downtown court? >> The downtown court,

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yes. I'm hoping at some point today, we'll be able to take up. Mayor pro tem's item. >> Let's bring up mayor pro tem's issue. It is germane today. You can cancel the meeting tomorrow. Continuing our conversation with staff on the conversation with staff. Thank you for this presentation. It is very helpful. Let me just ask.

[2:32:11 PM]

They're past that. They're for sure. They're items or developments that Austin housing planning corporation has authorized loans for. >> So they're going to happen. You have an estimate about more or less when that happens. We'd have to work on that. -- I would question it in the mu Tur.. >> I would suggest in the future when we get the data that we include in the housing blueprint because it gives us a better idea of how we're doing towards reaching our goals. >> Sure. We're open to modifying how we do our presentation of data there. And that's a great perspective to factor in. We'll figure out the way to articulate it clearly so that folks are understanding the difference between units on the ground and the pipeline. >> Kitchen: Yeah. You have to be clear about it. But also it lets us know

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that -- it gives me a better idea of are we going to hit targets or not. Okay. >> Yeah, absolutely. >> Kitchen: Okay. And mayor, I have other questions. Do you want to take someone else first or should I go ahead? >> Mayor Adler: Why don't you go ahead. >> Kitchen: Okay. So then the next -- I wanted to ask questions and follow-up on the anti-displacement funding, which I know we're all excited about as are you and I really appreciate the work that you've been doing with the communities on this. So to follow up on councilmember Fuentes's questions. So I understand that we'll get the tool. You said soon, a couple of weeks. Do you think we'll get it before the holidays or do you have a thought on that? >> Council member, we can make that happen. >> Kitchen: Okay, great. So then my next question is I'm looking at the map on

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the handout and so I'm wondering if y'all have any more thoughts in terms of how you're going to use the tool with the neighborhoods to start figuring out what -- you know, what might be appropriate for funding. If I'm understanding correctly the tool will guide that. It's a scoring >> My question really is. Where is it going to apply? Is it built into the tool to understand which parts of town and which parts of this map. We've talked about this before. The reason for asking for my colleagues is that, although \$300 million sounds like hey lot of money, it is not. Particularly over ten years. I'm really focused on doing the best we can to impact

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gentrification. My thought had been that that means that you would pick certain areas based on uprooted -- that are most at risk for gentrification and then target your funding in those areas. Is that what you are thinking or still trying to think through it? >> The first thing I want to say is that this is not a silver bullet. It does have to be directed. Taking additional information from what -- the question I've asked staff, where do you start within the investment corridor. Now there's the uprooted report, the Austin housing blueprint and the information from the catalysts and from the cac that has that personal felt feeling. But that will articulate and identify what tools we have. What we've been using is an additional tool that we are building internally and we were going to align it with our kpis.

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It's identifying not only the levels of displacement so we know where to focus first at a community level but what types of tools are necessary to help people stay in place. There's an overarching thing we have to take into consideration the development cycle, how long does it take and during that time, people might possibly be displaced. Is there additional programming to identify who would build what needs to be built. That's going to be a part of our displacement strategy and our neighborhood level. Like where do you start and what do you offer conversation. We're getting close to that. We're taking into conversation the Austin housing blueprint and some of the direction from the CAA and from you all also, taking into consideration some of the suggestions you have and packaging it up to make it a logical sense as to like here's where you start, here's what we're going to offer and here's why. >> That's great. I have no pre-determined -- I don't know where the best place is. That's what I'm looking to you guys for. I'm want being it to be targeted, which is what I hear you saying.

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That's great, sounds like a really thoughtful and appropriate process for that. >> Yes. >> If I can add, as we look at -- he mentioned that we're going to be getting the tool out to council and we'll be looking at how the -- it's going to tee up the conversation about wanting to get some direction. Making sure that we're hearing where we're thinking that that is, in fact, in alignment where the city council wants us to go. That's going to help us determine the balance between what's spent, say, on programmatic elements, what might be spent on real estate or capital investments and how we -- how that might vary over time. Maybe heavier on one side as we start the program where we know real estate is never going to be cheaper than it is right now. >> Okay. And then related to that is, how are y'all -- I kind of know but

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I'm not entirely sure. It may be not the time for it yet. But what is your thinking about engaging people who are living in the areas that we might be targeting? >> That's part of the

conversation that we're having internally. How do we share the information. Part of our socialization strategy with the tool is explaining to people what the tool is. How it connects on a ground floor of what the needs are and the projection of a city with a high demand. Kind of socializing them and we're not prepared to share that yet. But that is a part of the conversation. Happy to bring that after we've got the framework out for your consideration. Just know at a practical level, we're saying, if I'm in a community, I want to know what the tool is, how it's going to work and what it's going to provide as I see the changes happening in the city. >> My last question about that is then -- this is just aspirational in the future. It would be great if -- once y'all get the program set and

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running, it be something we could add to. Because we really -- mayor, I appreciate what you raised earlier about the potential for a bond. But it would be very interesting to have bond funding for an anti-displacement -- a targeted anti-displacement program that's aligned with our transportation needs like this one is. >> Uh-huh. >> You know, it would allow us to just take a good solid structure that you all are putting in place. Again, that's aspirational. Something to think about for the future and perhaps something to think about if we're going to move toward a potential bond. >> Absolutely. >> I'm going to have lots of other questions. But I think I should let others. >> Councilmember, there is something we want to share. This is a preview we're using to guide how we make decisions. It takes into consideration not

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only the neighborhood but the income, homeowners versus renters, amount in poverty, people of color so we can take into consideration how we organize our decision-making as a suggestion to you all so you have as much information about the investment corridor and this is just the investment corridor. This is the internal product we're using and the staff created. I want to give a shoutout to the staff. They did this relatively quicker. It's what we're going to do in a logical way and explain -- so we can explain it to the community. I'm already breaking stuff. I just wanted to be share that we share to you -- and we'll share it even better when we're finalized. Our thinking around the populations, the displacement risk and who is in the communities and how they're going displaced and income levels. It guides our resources in a smart way. Thank you for sharing. >>> This is great. Thank you very much. I really appreciate it. So thank you y'all for your efforts. >> Absolutely.

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>> On the scorecard, how are you measuring or identifying what homes go in what categories? Specifically, when a unit is added to the below 60s mfi versus a unit that is in the below or at 80% mfi, is it the price it ultimately sells for in the marketplace that tells you which group it's in? How does it get assigned? >> I'm going to ask for a reality check here. I believe that's as the unit comes online, it's got restrictions associated with it and we use those as a way to categorize it. If it's a rental unit at 60% or below mfi, it would go in the 60% and below. 40% and

below, it goes in that category. >> Those are restricted properties? >> Correct. >> Show a property that -- it's only restricted properties. It wouldn't have any market 80%

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mfi -- >> Keeping in mind also that our funding has its own limitations, right? Federal dollars can be used for 60% and below. Ownership at 80%. So we use our funding to also guide. >> I think what I'm hearing is what about above the subsidized amount? >> Nonsubsidized housing that -- >> Right. That's based on the actual rent that is -- it's market data. We utilize market data to determine the number of units added within those cohorts. If it's not income-restricted, we utilize basically private market data? >> Okay. The concern I would have relative to conversations I had earlier was to the degree that we have people making 80% mfi or 100% that are dipping down and bidding up the price of housing or rental property that might otherwise be available at below 80%, it's not showing up as

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properties that were built or would have been available at that level. It's showing up at the next category up because that's how the market is actually utilizing it. >> I think I understand you correctly. I think your assumption is correct. That is borne out by what we found in our comprehensive market study. That we have a lot of folks who are renting down, taking up some of that housing stock that presumably would be affordable at 60% or 50% because the rent that's kind of what the market rent is. It's a class B or C apartment complex. >> Right. >> But because there wasn't sufficient supply or because people wanted cheaper rent, fair enough, they're renting down and taking up that stock that otherwise would be available for lower income people. So I think we're saying the same thing. >> That's what I understand. >> Okay. >> I tell you, when you looked at the scorecard at first, it looked like we were doing a good job at 80% mfi level.

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But then someone pointed out to me that's not true. If you're doing a good job at 80% mfi, some of the units would now be counted in the 60% mfi category. But you lost them there because they've been bid up. >> What we -- the data we do not have and I can't even imagine reality in which we could capture it is the perfect match between income level and rental unit. We know an aggregate, what income levels are and we know when an aggregate level, what rental units are costing. What we don't know is unit 101 which rents for this much, is it perfectly matched with somebody paying no more than 30% of their adjusted gross income for rent. We have to make some assumptions and the assumption that you and I both have is the one that has been borne out with our market study data that we do every five

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years. >> Okay. That's consistent anecdotally with what I'm hearing from people at 80% mfi bidding up prices at units that I would have thought would have been available for 60%. And the people out of the market at 60% mfi can't find anything and anything they find ends up getting bid up outside of their ability to be able to, again -- it's not accessible to them. I wanted to know how you counted that staff. Further questions from staff? Pio? >> Renteria: I knew that years ago, I established a strike -- do they report to the housing department? And how many they own and how many they're renting -- if they're in a position to purchase it for more of the homes that are in

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the market right now? >> So we work, I think, the reference is to affordable central Texas. We work closely with them. Yes, as of my last conversation, I think they had about 1,000 units in their portfolio. Approximately -- I think their average median family income is about 70% mfi. They're adding to their portfolio. I know they have at least one other property under consideration. Yes, if it is income restricted, it is included in our database of affordable properties. >> Renteria: My other question is, I know that we have conservancy helping some of our seniors stay in place by helping with property tax. Do you have any knowledge or any report from them about where they're at, how many units --

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>> So I don't. Cupid had previously mentioned the Austin is my home campaign which provides resources and information for folks, renters and owners about ways to stay in your home, including education on property tax exemptions. I know that we refer people to the east Austin conservancy. But we don't gather data on the number of people that they serve each year. We can certainly reach out to east Austin conservancy and get that information. >>. >> Renteria: I would like to see that. We have directed some of the funds from some of the development, especially in the high opportunity areas to invest in our -- into the east Austin conservancy to help our seniors stay in place. I want to see how successful they're at and maybe in the future we could direct more

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funding towards them. But I would like to find out, you know, how -- where they're at and how many people are they helping and how much more do they need to help the other people that are struggling right now. >> We will get that information for you, councilmember. I will say, one of our local partners, community powered workshop, did some extensive outreach in the Monday top lis neighborhood and they had some alarming statistics about the number of homeowners who actually weren't taking advantage of existing homestead exemption. And so that's one of the reasons it really precipitated us to move forward with the Austin is my home campaign that helps connect people with the resources to understand the value of property tax -- the homestead exemption or the senior exemption and how to properly apply for and access that. We will reach out to east Austin

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conservancy and get that information, though >> Renteria: Thank you. Mayor, that's all I have. >> Thanks, Pio. Alison? >> Alter: Thank you. I would appreciate it if you have a writeup on Austin is my home that we can share in our newsletters. I think that's one of the things that we discussed. I feel like in direction -- most of them we did the homestead increase. So just like to see. You may have sent it, but I missed it. Would love to see more information on that. There's a lot of really good stuff that we're doing. Again, I think it is, as I said earlier, it's really important for us to recognize things that we've done right and done well. I had two questions. Do we have the sense of what portion of our smart housing units are going to college students? >> I'm not sure if we have an understanding of that. Is that something that we could

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try to get each if we did a spot-check of getting some data on it? Because I keep hearing about students that are using smart housing. We can't discriminate one way or another on that. But I think it would be useful for us to know that, as we try to approach changing the paradigm for providing the housing, as I mentioned earlier, only 8% students are on campus or campus affiliated housing. Again, that number -- don't have that verified elsewhere. There's a lot of room to grow. But I do keep hearing that on the smart housing. >> So we will get that data. Whatever data we have, I will say that. My understanding, the only smart certified units that are being reserved for college students would be in the uno university

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neighborhood overlay. We have about 1100 units in uno. But otherwise, our smart housing certification generally are being layered with our housing development assistance. So rental housing development assistance are typically low income housing tax credit projects in which students are not eligible, generally. >> Alter: That would be really helpful. I wasn't aware there was that distinction. It would be helpful to get some information across that. >> Absolutely. We -- it's on our list to potentially discuss as part of the fair housing update that council requested earlier. >> Alter: Okay. Great. I was -- that would perhaps explain what we keep hearing and make a lot more sense. I would appreciate that. Obviously with the numbers that

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you have put down in terms of spending down the 2018 bond, you know, it looks like five -- that would be spent down so I think this may be like an action item for the next section. I'll bring it up here. It seems like we need to have a discussion about when is the appropriate time to go forward with a bond not just taking into consideration the housing need but also the broader bonding process and bonding exigencies with credit rating without raising taxes. Going up to 450. There's the possibility that we don't have as much room to go forward with the bond early

and do it in 'it 2 as opposed to '24 when I was due. I would like to ask that as a follow-up next step if we can get analysis from staff on what

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their recommendations would be for an appropriate timeline for the next set of bonds and the value of doing the bonds together. So that we can value off the tradeoffs across the bonds as we have traditionally done. I don't know what the right answer is. Obviously, if we're running out of money, we need to be prepared for that. But I think we also have to be fiscally responsible and do that sooner rather than later if we're going to do a wider bond process. >> I'm happy to share the request with our financial services department and work with them to bring the relevant information back to you. >> Alter: Thank you. I just would like to be very diligent about how we approach the bond and make sure that we're taking into consideration a lot of different elements that go into bonding and not just the need. Thank you.

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>> Okay. Any other questions? Colleagues for Kathy? >> Yes. Thanks. I wonder -- thank you director for this information, which is grim information about the number of homeowners who might be eligible for the tax exemption under the homestead exemption but are not necessarily accessing it. I wonder if you've explored putting it -- that information in utility bills? >> I know when we launched Austin is my home campaign last year, we did a lot of outreach associated with that. I'm not sure if we did utility bill inserts. I'll talk to my communications team. If we haven't, I'll look into that. >> I would say it's great for them to have access to the page and I think has great information on there. Especially zeroing in on that ability to get the homestead exemption and reduce their taxes and playing up that element, I would think, would be an important message to get out and

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hopefully our partners over at Austin energy would be able to help that happen. I know there's a little bit of a time lag for getting those in there. The sooner, the better, right? It's a couple months. Is that your understanding, city manager? My other question relates to the community land trust. This is exciting and I'm especially excited to hear that they're operating under the [indiscernible] The long awaited preference policy. >> We're very excited too. >> Tovo: Can you help me understand, has housing implemented the preference policy with any rental units to this point or this will be the first actual launch of it? >> This will be the first launch of it. >> Tovo: Already occupied, is that right? Can you go over the numbers with me? And what are the -- how can we help you get to the rest of the 29 -- getting the rest of the 29

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up and running? That seems like an immediate win. >> Right. We're on track for the extra 29. So 15 are currently occupied. And for those who don't know, our community land trust, the model,

they own the dirt essentially. It's separated from the improvements. And that's because in a high cost area like Austin, we have such high property taxes that the dirt is taken off the property taxes and the homeowner only taxed on the improvements. Guadalupe development corporation also operates a community land trust. The 15 homes that we currently have in our community land trust are all -- they have been sold to income-qualified first-time home buyers. 80% below median family income. The 29 homes that we have in our pipeline, a handful of them are homes that we bought back, Austin housing finance corporation, using some of our proceeds have bought back from

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our long-term affordable housing portfolio. We're putting them into our community land trust. The remainder of them are the 20 homes that were purchased from the housing authority of the city of Austin. We are almost done rehabbing at least half of those. We've been utilizing a mix of local and federal funds to rehab those homes. About 100,000 per home in rehab. They're beautiful. They are in district 6. We have, I think, 8 in district 6 right near the brand new apple campus. We have some in colony park. So in district 1. And we have some in district 5 down south. So they're kind of in a variety of different neighborhoods. All single family homes and I am pretty sure we'll get close to that 29 when we go out for our lottery and major push, which will start in January. >> That's actually -- those are happening really soon?

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>> We've funded the rehab. The acquisition for the rehab. They're kind of sitting in our portfolio right now. >> Tovo: That's really great news. Can't wait to hear Mo R about it. >> We'll be reaching out to all of the council offices. I know it's only 29 units. But they matter. It is going to be a big communications push for our department. >> Tovo: Thank you again. I think that's terrific. Yes -- while it is only 29, that's 29 families with generational ties to Austin who will be able to stay and afford their own homes. Fabulous. Thanks for that and the other updates. >> Councilmember Ellis? Ellis: About how they're applying and get the right homestead exemption. I wanted to note that there are parts of district 8 that are in the city limits but not on Austin energy. I'm sure there's other corners too. I don't know if you can do a cost analysis and figure out if

[2:59:47 PM]

there could be mailers sent out or figure out other strategy to get the word into the neighborhoods since some people are different forms of electric utilities than just Austin energy. I like the idea a lot. I want to make sure people have the information they need. >> We'll figure out a way. I live in that area. I know what you're talking about. We'll chat with your office as well to make sure we're covering that. >> Thank you. We also love the idea of putting information in the newsletter. We'll try to get the word out. We appreciate? >> Councilmember Fuentes and back to councilmember tovo. >> Fuentes: I wanted clarification on the methodology for the preference policy. Will they have to show a certain amount of years for

the tie to the census tract or susceptible to gentrification? >> We will recirculate the memo from 2019 that it was pre-pandemic. We hoped to launch in 2020 where we lay out the methodology.

[3:00:49 PM]

My understanding is it goes back to 2020. We have to come up with a certain date so you demonstrate that you had lived or were related to somebody who lived in a census tract that met that gentrification typology. We'll recirculate that and that will be the basis for prioritizing who has first access to the community land trust homes. >> Fuentes: That will be helpful. Also, you know, to the extent that you could share with us how you plan to share this information with individuals who have been displaced, who no longer reside in Austin, but perhaps want to come back to Austin or who have been pushed to the outskirts of the city, I'd be curious to hear more about that strategy to engage? >> We have a fantastic program manager over the program. She was hired about a year ago.

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She's been working closely with our communications team on developing a unique and targeted strategy because we know that this is not something you're not putting a billboard on a bus. We have a lot of folks who -- a lot of folks who we want to provide the opportunity to come back to Austin. They may have a generational tie, in Pflugerville or -- this could be an opportunity for them to come back to their neighborhood. So we are happy to provide that -- we're doing kind of a website soft launch in December, which starts tomorrow. I recognize -- it won't be tomorrow. But in January is when we're really doing a harder push with the idea that the full lottery would be in March. We're really looking at nontraditional marketing and outreach for this program. >> Fuentes: Good deal.

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As Mandy was mentioning, our nontraditional approaches, we will take a traditional approach of getting some information about what we are planning out to you guys to get it on paper so that you're prepared. When things go live, you're able to share information about that process. >> That would be great. Thank you. >> Councilmember Tovo? >> Tovo: Does the organization -- I've forgotten which organization you said prepared the information about areas -- about the percentage of individuals who might qualify but are not currently receiving the homestead exemption. Do you have that -- is it pretty granular? Could you for example tell us -- >> That was very specific to the Monday top lis neighborhood. It was community power workshop and it was a targeted outreach activity that they did. We're happy to share that information. But it's not a larger snapshot of the city. Of that neighborhood. >> Tovo: Thank you. That answers that question. I wondered if we could sort of target our efforts based on that

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data. If it's only about that one area, that won't help us get there. Anyway, thank you. >> Councilmember kitchen? >> Kitchen: >> I just wanted to ask another question about the priority list you had. The leveraging land for affordable housing. We've talked about that and I know y'all have been doing it. So is there anything in particular that you were thinking about there that you wanted to do? Or is it continuing the efforts that you have been engaged in? >> I think continuing efforts that we have been engaged in. Within the portfolio, obviously working with our fellow city departments as they have property that they're looking to dispose of to see how we can bring that into the -- into our portfolio to eventually develop most recent example of that is the Austin energy tract along

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the boulevard in southeast Austin. That was on -- about a month ago on the council agenda. Naturally, those but then also seeing how that can tie into any -- you know, we will be working collaboratively with our partners through -- with project connect, with Austin transit partnership to see as they may have property needs for things like staging. If there's ways they're acquiring property for right-of-way. If there's ways to leverage and collaborate on those and those are conversations that are ongoing. Okay. >> Kitchen: Thank you. >> I could go on. Those are -- >> Kitchen: I was also thinking, do you -- can we be helpful? In other words, do you need something from us or is it something that you all are proceeding with now? That was the kind of thing. >> I will say that individually we're all really good. When you see things coming up in your district of letting us

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know, either property coming up for sale or stayed-owned property that you -- state owned property that you know about. We've got solid open lines of communications open with all of your individual offices. We appreciate that. That can continue for sure. If we have other ideas, then we'll certainly bring those to you. >> Okay. >> Colleagues, are we ready to move to the discussion about [indiscernible]. >> Thank you, mayor. >> Thank you very much. >> I don't know if this list I handed out would be helpful to run through and see if people wanted to speak about thoughts they had as to whether it was viable to -- for anybody to be spending any time against. I asked Janine, she listed them. What she heard as being the expressed interest, that may or may not track and certainly a lot of people on council didn't comment one way or another. Let's see if we can run through

[3:06:55 PM]

this list and see if that's a process that makes sense. I think the first thing up here is the Adu availability. Certainly something I would support. Councilmember tovo, I think you had ideas on elements on that with respect to financing. But there seem to be a whole bunch of ideas that are related to ads. You want to talk about that first? >> Tovo: We've drafted the resolution and are hopeful that we might be able to bring it forward next week. I can tell you some of the elements I had intended to distribute this bullet point and got busy over lunchtime. I can tell

you that the resolution we've drafted includes the following. Eliminating the distinctions among different types of accessory structures to reduce all to one, inclusive definition for an accessory dwelling. This deals with the issue I know we've discussed multiple times before, there are different

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kinds of accessory units with different kinds of criteria and this would collapse them all into one definition for accessory dwelling unit which makes the -- which gets rid of some of the other requirements, including the requirement for at least one resident to be over 60 years or physically disabled. It eliminates all of those. Removing the prohibition from the accessory apartment including converted garage space. That is one provision currently in our code. We are still looking at how best to capture the preservation element. One idea I wanted to throw out for consideration to see what people's disposition is, is to

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initiate a change that would allow for ads in house scale residential Zones with the substantial, really well-defined substantial preservation of an existing single family dwelling as long as it remains within the allowed watershed impervious cover limit. This would extend the provision of having an Adu in places where it may not currently be allowed in a residential zone as long as the existing house on that property is maintained. This prevents -- you know, we have a lot of conversation about this during the land development code and the preservation -- the preservation incentive that was described in the land development code was not, in my opinion, airtight and would not have prevented what I see as a real possibility of demolishing the existing structure and building new -- two new units, which I think does not have the resulting am packet we want to have in terms of keeping the

[3:10:00 PM]

costs as low as possible. I can answer questions about that. But I think that covers that. It would also require that the Adu not be larger than the primary dwelling. As I said, the preservation -- the preservation requirements would need to be substantially better than what was in the Idc. I know that we had a -- in fact, I brought forward some amendments that failed that preservation Austin that helped and guided us on to really use what had worked in other places to help preserve existing dwellings. That's the structure of it. There may be some other smaller bullet points, but I think that gives you a sense of the main elements that I'm bringing forward again, eliminating the distinctions, getting rid of the requirements that I addressed about residents being of a certain age or certain

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occupation and those kinds of things. Getting rid of the prohibition against converted garage space. And then extending it to other residential areas that don't currently have ads allowed

with a substantial preservation of the existing dwelling. >> Expanding the opportunities for ads and I recognize that that even as we do that, we can move to a place where we start to lose the consensus understanding. Just for people that -- >> Tovo: My apologies, mayor. I had one more. You mentioned that I neglected to. That is standing up some funding opportunities including using our chapter 380 to help provide some of the capital as we saw in research coming forward. A lot of the impediment to building ads is less about zoning and more about access to capital. So the resolution does take the next steps on that piece, too. It just -- I had forgotten to mention it.

[3:12:02 PM]

Sorry to interrupt. >> I think that's great. Leave that as wide open as you can while you give the direction in case there are other finance opportunities that we can also think of, too. Obviously, at least that one. I appreciate that. That's got to be part of it. The four things I saw with respect to the limitations and who could get it with the 60 age user and older one, the removing requirement that the accessory dwelling but had to be for a family with one member employed on site and removing the requirement that a guest house -- nonpaying guest and ensure water metering requirements. Install with the meters. [ Inaudible ] Are those the kinds of things you're talking about? I think those are the ones in front of the housing committee? >> Tovo: All of them are. I have some additional information from staff. Some of what we're hearing from folks about water meters and things, I believe we have addressed already as a city. To the extent that those are

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already addressed, then -- I think it might be worthwhile and I'm not sure whether we have the staff here today to do it. But I think we should get an update about what changes they've made with regard to metering. We have heard the concerns over the last few years made changes about metering requirements for accessory dwelling units. Yes, in terms of the other things you talked about, occupation, yadda, yadda, that's all EP compassed in the resolution's directive to reduce to one definition for accessory dwelling that eliminates those distinctions and criteria. >> There are also things in the materials by James Duncan. He gave us something that spoke to ads. Just to take a look at. One was eliminating fees for small and income-restricted units might be something worth taking a look at is another way to promote affordability. Eliminating the prohibition of subleases might be something

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that makes sense to do as well. Attach -- detached. Have you thought about that at all? >> Tovo: I am open to conversation about that. But I think -- I see that as one of the distinctions that's worth eliminating. What do you all think? >> We went over a lot of this in committee. I think that is a good distinction to eliminate the idea that you could build a 750 square foot Adu but it has to be detached, but it touching the house is not allowed because now it's a duplex. I support that. I had just wanted to hop in because I think there's a bit -- depending on the



wording of what you bring forward mayor or councilmember tovo, I want to make sure we're not down zoning any properties inadvertently.

[3:15:06 PM]

What we found in housing committee, in some cases you are allowing for example an Adu and a unit for somebody over 65 in addition to the existing house. I wouldn't want to consolidate those into the same things which are only allowed to have one if currently you're allowed to have both. For me, I thought the best thing would be to eliminate the requirements on age or the requirements on occupation, but if somebody is currently allowed to do both, to not say now you're only allowed to do one of those two if you're allowed to do both. >>

Councilmember Ellis? Paige? >> Ellis: I see your wheels turning, Kathie. I like a lot of what you had mentioned. I had one thing to say while we're having the conversation. The discussion around not being larger than the existing home I think sounds good in principle where you have a larger single

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family home and want to build -- I wonder if there's examples out there where the original single family is not very big in which case maybe someone might move an aging parent into that home and then build a bigger home for the growing family behind it. I don't know if there's an example out there like it. If someone knows, you're welcome to bring it to my attention. That's one thing that I think really works well for a property where you would build an Adu for an existing larger single family home. I just want to make sure we don't close out that opportunity. A lot of the things you mentioned are really good things for us to move forward on. And I really appreciate some of the things that the mayor and Greg have pointed out as well. >> Greg? >> Something Elsie didn't hop in on. I'm supportive of the preservation bonus idea. The idea to do one moreau knit as long as you keep the existing house or the -- only remodeling the existing house to a certain

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extent. I look forward to whatever is brought forward there. Again, since we're talking about adding housing supply in a way that really does create the ability for somebody to truly add another unit rather than keeping the stand us quo and reducing someone's entitlements. To -- everybody takes advantage of the entitlements with one big house as opposed to the smaller multiunit. >> Those things make sense to me. Kathie, you might want to speak on that. Somebody had additional thoughts on adus from abor? Taking a look at site location limitations to see -- to take a look at that and see if there's anything there that makes it more achievable or accessible to

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people. And then I guess the other ones we've already talked about. I also like the preservation element as well. An additional kicker to allow something that might not otherwise have been able to happen. Anything else on ads before we move on, Greg? >> Not on adus, no. >> Okay. >> I just wanted to ask, councilmember tovo, I didn't quite hear what she was saying. You mentioned water quality, right? Can you speak to that? You're talking about keeping the requirements, right? >> Tovo: Maintaining the existing watershed impervious cover limits. >> Okay. Thank you. >> The next thing we have on the list -- >> Just councilmember -- >> Councilmember alter? Pio has his hand raised too. >> Councilmember tovo, I'm pleased to co-sponsor this with

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you and look forward to moving it forward. I wanted to raise a related issue impacting our ads for my colleagues that was brought up in Austin housing coalition requests specifically, there was a rule change with respect to power lines, setbacks, setoffs and energy put forward. That was adopted by the city manager. There was a protest to that rule and it was not overruled. So it is still in effect. From everything we can tell, it's potentially going to have a huge impact on ads. We've been working for several months now to try to have conversations between Austin energy and our office and some of the homebuilders. We have not been able to identify how other cities are

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doing it to address the safety concern than Austin energy is trying to move forward. So I just wanted to flag that. I won't be able to do justice. Because it gets very complicated and regulatory very quickly. But I just wanted to flag that as something we do need to look at with respect to ads. It's going to impact the size and the location of where you can put those in a fairly dramatic way. And it's something that we're working on trying to address. If other offices want to join us, I would EP courage you to have your staff reach out to our staff. >> Pio? >> Renteria: On the adus, we got to be real careful because I

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guess basically on some of the areas of desire, especially the ones that are close to downtown, which is part of all the central housing that we have that we provide incentive to people that are really going to be using it to keep it -- keep those affordable. Not turn them into Sr -- short-term rentals. Strs. P where I live at now, I'm surrounded by eight of them and they're basically my neighborhood has become like part of the party town where it's just a party hotels. I have -- the city should be aware of where they're at. They're getting around with -- out of that short-term rental 2 by having one of their kids or a young man or a young lady living

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there during the days, the weekdays and then with the understanding that when they representative it out on the weekends, they go back to their home or rent a place where they can stay because they didn't get -- they can get a lot more. I just want to make sure that if we do offer incentive, that we don't get stuck with these type of short-term rentals where they're basically qualified as 1 a but using it as a 2. But we captain prove it otherwise. They're able to get away with that. >> Back to the issues Kathie was raising earlier. Kathie? >> Tovo: I'm glad you raised that. I know that we talked about that when we looked at making revisions to the short-term

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rentals and thought we closed that loophole. Thank you, council for raising that example. I'm not sure on the staff, that's really for the planning and code departments, how to craft this in such a way that we eliminate that issue. Yeah. I think that's wholly -- I can't remember the word. I guess it's been a long day. In any case, that would be a real problem. That's exactly what we don't want to carve out more room for. We want more housing for austinites. Thanks, councilmember. I would welcome whoever on city staff who can help us sort out to prevent that from happening. It gets back to the question you said, mayor, make sure we EP force our code effectively. Which at the moment we're having challenges doing. >> I'd like to work with you on the Adu stuff. We had also prepared a

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resolution as we mentioned. I want to make sure we're on the same pages and get to the consensus on the dais. The next item that we have is residential and commercial. Does anybody want to address this? Ann, I think you had questions about this. Alison, you want to talk about it first? >> Alter: Sure. So this is a proposal that the mayor and I introduced on the message board to allow for residential opportunities within zoning -- certain zoning categories that do not currently allow it with an affordability requirement. Again, this is something I think that there's broad consensus about. Something that we identified as they were looking for things that had consensus but that would also have a big impact that this would be, you know, np

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previous iterations of the code would have had a 40,000 unit capacity impact, which is a large impact. Fairly simple to introduce and would not be displacing people. >> Obviously, that's something we're bringing together. I support that, too. Ann? >> Kitchen: Yes. I support this. I think it's a really good idea. Opens up more properties for affordability. I think that the way that the resolution is styled now looks good. I'll go back and look at it again and see if I wanted to add anything. I wanted to talk briefly about when it comes back to us. I think it's going to be important and interesting to think about our incentive programs as a toolbox and so what that means is we may have

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like graduated levels perhaps of incentives depending on the particular character. I don't know what the right answer is. But you know, we might be thinking in terms of a hierarchy of -- hierarchy in the sense of the degree of the incentive, the degree of affordability that's required. So for example, your vmu 1 and it, which are located along corridors, that's the nature of those programs, could be the ones that the highest level of affordability that is required. Whereas, the residential and commercial is spread out more throughout the city. Those properties are in many different places, not just in corridors. In order to get folks -- in order to have a meaningful incentive that people will use for those properties, we might have -- might be looking at a different level of affordability required for those. Those might make more sense for

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the kind of thing you've been asking about, mayor. Maybe that's a 5, 7, 8%. I don't know what the answer is. I do know that we want to set our level of affordability incentive at the -- you know, at the highest level that will still be used. So in I way, I don't know what the level is. P we'll need to think about all these programs in place and how they work together and then the other one, of course, which I mentioned, which is further down on the list, is the mf category. How we use the -- how we might end up using the mf category as another tool also for incentives. So I'm still thinking through that. I've been working with some of the advocates on that on housing works to bring something back related to mf. That might involve -- that might involve some incentives related to some of the mf categories.

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It might involve looking or coupling that with tenant protections. We'll see. I think that the step that we're taking tomorrow with regard to residential and commercial is the next important step to take. So I look forward to supporting that tomorrow and I think, you know, the exact details of how it works and how it works with the other programs, you no he, we'll get to when it comes back to us. >> Mayor. . I would also support all of those different kinds of benefits to achieve. The rental protections and likely those are also affordability and presser issues. I support those two. In the resolution going tomorrow, it specifically P says does not involve compatibility changes -- the resolution that

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will be filed specifically says that it does not include any changes in compatibility. >> Okay. >> Mayor: I support that and will vote for the resolution with that inclusion. I think that's the next step. I'm sorry? P [ off mic ] >> Mayor: On commercial and residential. >> Thank you. My apologies. >> I didn't realize what resolution you were talking about. >> I support it with that inclusion. I think that's the appropriate thing. I would like to take a look -- my only keep with that is that -- it may not be something that we can address by consensus. Is that a I -- a lot of the bonuses P for affordability with additional height for example,

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in some instances may not be able to be achieved because of compatibility standards. I don't know the full extent for that. I don't know how much of the bonuses would not be able to be achieved and I don't know if there's some limited way to address compatibility in some of those situations. So I just with note that. I want to support the resolution as Alison and I have proposed it. With this action being one that we take without regard to any changes in compatibility. Yes? Paige? >> Ellis: Is this for the 9th? >> Mayor: Yes. Because that's been posted. That item -- that resolution has been posted. >> Perfect. I wanted to keep my agendas straight. >> I will clarify that. We are putting it on the December 9th agenda gentleman tomorrow. But we posted it on the message

[3:31:28 PM]

board and it's largely in the same shape. >> Great. >> Okay. Other discussions on that one? Let's go to the next item. Student housing. >> Mayor before we -- >> I have to step off the dais here in a moment. Again, I just want to thank both you and councilmember alter for bringing this item forward because it does bring forth a significant amount of capacity. And so I look forward to supporting that on the 9th. I look forward to supporting what it is we do on Adu for the 9th. I was planning on the first or second council meeting of the new year to work on rental protections for the people feeling the brunt of this, potentially including kicking off looking at what it would look like to have another

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affordable housing election in the near term bringing -- potentially also at that first or second meeting. Then to reiterate for everyone that across all of the items here, please do count me in to be supportive. Because there's so much more to do. Obviously, these two consensus items moving forward next week and the item vm u-2 we passed before the break are important steps. With such an incompetent crease increase in the number of jobs and housing not keeping can up, we have to do more than 40,000 in capacity. We're behind. I appreciate these initial steps and will support them. Do sign me up for -- to help on the other items. Thank you all. >> Thank you. >> Mayor? >> Student housing. >> Before we move on to the next one, may I make some thoughts? >> Yes. >> I think that it's great that we're going to work on changing the land development code to allow for residential uses in commercial Zones. I think it's important that we

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have staff give us a sort of timeline so that we can see when that might happen or how it might work. I think that we should probably doing a calibration to market conditions to make it more clear what we're going after. And then I wonder if it might be agreeable to bring up compatibility for bonus items. Thank you. Those are my list. >> It's lower on the list because fewer people talked to it. I agree with you on that, just like we did with vmu 2. Making sure we

hit the marks to get all all of the affordability we can get in every instance, I think, is important. On the student housing, I would support that. There's been some interest in conversations I've had with university of Texas officials as well. Two areas I think that makes sense to look at on that, one is having a public partners, you no

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he, as we partner with them and try to provide incentives and subsidies associated with that. The other thing I think we need to look at with student housing is the lessons that we've learned from uno. So the density bonuses, the segregated parking opportunities so the market also drives more of the student housing. But I think that those are both ideas. There's many students living in off campus and not in dormitory or student housing. If we could free up that housing stock, not only get them good places to be but free of -- [indiscernible] I think that could be a significant and material number. Seemed like it had a lot of support on the council as well. Kathie, did you want to say anything? ? >> Tovo: Yeah. I'm supportive of that, too.

[3:35:34 PM]

Just to go back to the question that I raised with Mr. [Indiscernible]. What other options. What are some feasible options for in addition to those you've mentioned? I don't know if anyone else has any ideas. You know, how we both have those conversations that -- what is the mechanism? What is the leverage we use to encourage that? >> I think, in part, I think -- I don't know if other people can speak to it, too. In part approximate, I think we're getting closer to mutual need. So we now have schools, universities that have students that are recognizing that they're losing students because students can't afford to lose the city the same way that they have to live more distant and losing junior faculty for the

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same reason. I know the university of Texas level, it's of big enough interest that the president mentioned it in his inaugural address as something he wanted to work on as you know, as well. Part of it -- I don't know exactly what the anticipates are, but sitting down with them specifically on this issue, I think, would be a really important thing. I've asked before whether or not actually providing a subsidy to a university so that they do something that turns up an affordable unit might actually be a really efficient way for us to spend some of our dollars. But I haven't seep an analysis of that. I don't know if that's true or not. But I think we have a willing partner that is also trying to put their hands to try and solve this issue. >> If I might add. Housing and planning, I think we do have a willing partner with

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the university. President Hartzell asked Allen Cole to spearhead some thinking and action associated with with this. There was a convening around affordable housing about four weeks ago. It was both community members, we were there as well as members of the university

infrastructure. The dialogue was very much around exactly what the mayor was just talking about. They recognize it they have an issue with their staff, their faculty and their students and they very much want to partner and to think about creative ways to address it as well as housing in general for the city of Austin. >> Given that, I join -- I'd put more resources against that. You take a look at this manager in terms of where the place we should put our resources that would have the greatest potential impact and have consensus. This may very well be one that

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gets moved up into a priority position. All right. The next thing was workforce housing supply. >> Mayor? >> I'm sorry. Councilmember alter? >> Alter: I just wanted to note that Ms. True love is now leading the negotiations with UT with respect to the four properties we're issuing new zoning laws. That's a process through -- which creates space for some really important conversations about how that land will be used and is an opportunity where we can talk about these issues, whether it's student faculty or staff or workforce for UT in particular. And I would just like to see us continue to move up and lean forward so the process can be brought to completion. >> I think that's a good point. I also want to correct. I talked just to U.T.

[3:39:41 PM]

But we have a lot of students at other universities in our city facing the same affordability issues and we need to make sure that solutions that we're looking at also provide accessibility for housing for them as well. The next thing was the workforce housing supply question. I think you had raised this, too, on some of your postings. Kathie, I had as well. I think you mentioned earlier looking at -- I don't know if you want to address it first or you want me to talk about that or other people to talk about that? >> Tovo: Mayor, why don't you talk about it first. I'm trying to remember what -- which bullet point this is. >> It seemed to me that's one.

[3:40:42 PM]

Things that operates outside of the below 80%. It's the 70, 80%. We're losing a lot of that housing in our city. At one point several years ago there were 45,000 units on transportation corridors that were workforce housing did not represent the best use of the land. It's a question of time until they all moved off. But figuring out how to co-invest. If it was a way to help affordable central Texas, the strike fund idea, I don't know if the -- if there are chapter 380 or public/private partnership agreements that would be helpful or if that's something that the economic they could participate in. That's something that's been operating outside of our

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efforts, have saved a thousand units and also has a model bringing in capital that we're not able to access otherwise. So things we could do to help empower them or help facilitate them.

That's a lot of units for the three years, I guess, they've been out doing that, including the pandemic. I'm just concerned that the more that I learn, one of the most significant problems we have with providing housing at 60% mfi, it all gets taken up by people in the 80 to 120% because we're not providing enough for them in the city. All we're going to be doing, if that's true, to provide market -- not required by market 60, 70% mfi. All we're doing is creating housing in the 80 to 120 market.

[3:42:46 PM]

Yo-yo want us to do -- I don't want us to do that in that matter. People buying product that they could buy without pushing up the price on product this ought to be left available at the other levels. So that would be something to me that I would like us to figure out how to do. Anybody else want to say anything on this one before we go to the next one? Councilmember alter? >> Alter: While we're talking about it, I want to reiterate what I said ale earlier. When we get P greater clarity on the fair housing, I'd like to explore affordability for -- [indiscernible]. There's a lot of permutations that that could could take. But to see, you know, whether a model of like along those lines

[3:43:48 PM]

might get us the stock of housing that we want rather than a sort of a blanket effort. >> I'd support that, too. Seems to direct a lot of market activity if it can work. Anything else on this one? Yes. Councilmember Fuentes? >> Fuentes: Thank you. I recently met with -- to talk about the fair housing act. I know this is also on our radar and might be an individual to engage on the issue. My question is, to the extent that we've engaged the private sector on workforce housing, if staff has any comments on that. I'm curious on efforts to engage and I know today we talked about a few examples with the Tesla factory. But curious are how other efforts are going or how conversations are going to that end. >> Mandy Demayo.

[3:44:50 PM]

I wanted to mention, because there's been conversation around employer assisted housing or campuses for employers, that we met with housing works recently and they do have an initiative on employer assisted housing and on their website. We'll send this to you all. They've done a toolkit with private employers, they've met with a variety of large employers to talk through the benefits of different typologies of employer aist issued housing, one of which is building housing. Others are downpayment assistance, rental assistance, investing in affordable housing. They have a presentation, a toolkit, case studies from across the country, all of which you all may find interesting based on this conversation. We have had some conversations whereas you mentioned our most recent convening with U.T., there were about 30 of uses

[3:45:51 PM]



there. There will be a larger convening in the spring. U.T. Is taking this seriously. We've had conversations with Houston till Ottoson and over the years, multiple conversations with Austin independent school district that is struggling with not only student enrollment because of affordability issues, but also retention of teachers and staff related to affordability. So yes, it's an ongoing conversation with major employers and we're hopeful that major employers perhaps through this housing works initiative, perhaps through other initiatives, you have mentioned the chapter 380 will result in a targeted and concerted effort to retain moderate income housing for workers in Austin. >> Part of the issue, manager, we have with next steps to what

[3:46:53 PM]

Mandy was saying, we have staff here for the housing department, which is doing a lot of the work and a lot of it is subsidized housing in the lower -- there's also other staff groups that I hope are watching this and will be evaluating this, too. Economic development, most responsive perhaps on the question of how do we engage the larger employers who used the chapter 380 agreement and be able to help in that area. You have staff groups working on the code elements that probably, the ones that take point on things like the M u-2 and the commercial and residential area. So different staff groups are going to be responsible. When we move past something like the student housing, my sense is one of two things happen. The next step associated with that, if it moves forward. One is that either it's one.

[3:47:54 PM]

Things that come back from you saying we recognize the crisis that we have, these are the things we would recommend the council move forward on as being the greatest impact. 9, 10, 11 votes. So we're not mired in a conversation otherwise. Or if it's not something that you bring forward or people don't want to wait for you to bring that list back, councilmember could advance a concept on that with an item from council and put it on the agenda and say we want this to move forward in this way. Kathie? >> Tovo: I'm sorry. If you want to focus on the process. I'm going to take us back a little bit. >> Go ahead. >> Tovo: I'm very interested in this idea of how we encourage companies who are moving here with large workforces to take

[3:48:56 PM]

responsibility for providing housing. I am not yet sure what of those kinds of solutions -- what the range of options are. But I'm becoming kind of uncomfortable with the idea of using our super scarce dollars to help lower the costs for our private employers for workforce housing that would be aimed at places of employment in that sector. Let me just note that. As a concern. It's one thing if we're partnering with the school districts to put some of our dollars towards workforce housing for teachers and families with children because that helps our school district stay viable from a variety of elements. I am really going to have to think about whether our financial investment goes toward private companies to help them

[3:49:57 PM]

provide housing. So, again, I'm not sure what other points of leverage we would have, if not dollars. But I'm interested in -- I'm interested in learning more about that subject and figuring out what might be helpful. I may not be opposed to it. But I'm super wary at the moment. Interested in the idea, not sure what solutions I might support. >> In case that was precipitated by what I said, I wasn't proposing that. I would have the same reservations you would have about underwriting for a private developer or housing for employees. >> Tovo: Oh, good. I'm glad you clarified. >> But the Austin central Texas, the housing conservancy is saving class C apartment buildings right now from being demolished and maintaining them

[3:50:58 PM]

at rents that go up with income levels in the city as opposed to going up with the market in the city for those people that are living there. I don't know if there are things -- they've taken a thousand units that might otherwise be lost at this point and forever preserving those. That's what I was talking about. Are there tools we have, that's a nonprofit, so that's not a business. If there are tools we have to help them save several thousand more of those apartments or 10,000 more of those apartments, I'd love to see what that looked like. >> Tovo: Yeah. I think that's a great model in the work that they're doing is super exciting. I guess I wonder if their best partners are -- you know, it all depends on the jobs created by the employment. If they're high-wage jobs, not that I get to control this, but

[3:51:59 PM]

I would rather see the strike fund partnering with lower wage workers, places of employment with lower wage earners. I'd rather see them partnered with some of our living facilities and others where we know we have low-wage workers who are otherwise going to struggle to compete in this market. But anyway, that's -- >> I agree with that, too. I think my understanding was the same as true love's. Their average person is a 70% mfi. The housing conservancy. >> Tovo: Right. >> They're focused on that workforce. >> Tovo: Right. I guess it's just an informational question about whether some of the new employers with lack of jobs fit that or income is in excess of the 70% of that. >> The devil is in the details. I'm not saying we use the scarce dollars to underwrite the things you expressed concern about

[3:53:00 PM]

>> Tovo: Thank you for the conversation. I appreciate the ability to clarify. >> Chapter 380 agreements to R large employers. I think his suggestion was in the conversation with the Samsung or a Tesla, when somebody is coming in and asking for incentives, should we be then answering that question by saying, how many are you -- are you going to house the people working for you? The po's statement earlier, if Samsung wants an incentive as part of that program, we could -- we obviously that went to the region. Similar [indiscernible] That's the kind of thing we ought to be engaging in those conversations. I'd support that. To the degree

we're considering that kind of thing, we need to think about the community benefit we're trying to extract or get from that and right now, it's housing.

[3:54:02 PM]

>> Tovo: Mayor. You raising that, maybe that ought not to be embedded in our economic policy which is currently is not identified as a benefit, as a community benefit recognized as part of that. That might be a good note that it might be time to take another look and make that revision. >> That's a good point, too. We have a little over a half an hour left to see what kinds of things will talk about. -- Preservation bonus, if there were things to could, I go back to the -- figure out exactly how to make that happen in a way that was true to the intent to make preservation the ultimate benefit achieved. But willing to relax some

[3:55:04 PM]

requirements otherwise like an affordability unlocked, recognizing the preservation was also a benefit, as is affordability and oftentimes preservation and affordability work together. I think there probably would be consensus on that if we could figure out the right way to do that, that honored the goal. I guess it's down to the smaller things that we've discussed. District level in small area planning, I would support too. Something councilmember pool raised. I don't know how you get from here to there on that. Part of that might be a way for it to go. Mayor pro tem? >> Chair, my apologies. I was trying to get your attention earlier when talking about workforce housing. >> I didn't hear you. >> It's something I'm recognizing as I think -- I think we're missing an opportunity.

[3:56:04 PM]

We're not talking about re-entry housing at all. And I know that there's some districts where that's not an issue. In district 1 it is. I want to maybe at some point really start to talk comprehensively about how we offer people the opportunity to re-enter. If you could add that to the points of consideration. >> Re-entry housing? >> Yes. Thank you. >> Yes. Also on the list, we had the fee changes as part -- [ overlapping ] >> I think staff was going to come back with that themselves having recognized the need for that. That came out of -- with the change that was significant that some people said they didn't have notice on. >> Wait, wait, wait. What was staff coming back with?

[3:57:05 PM]

>> How we handle fee increases as part of the budget process. >> Oh, okay. Got you. >> I think the manager was going to come back with -- I don't know, a list of all the fees. They go up by more than 10% or some way to be able to do that. We had talked about the tiff financial policies. We had something passed by council that had staff coming back and giving us advice on that. The public activity bond focused on permanent supportive housing, continuing care units was something that we've talked about. And I think staff was taking a look at and taking a

look at whether there would be a HP conversation with Travis county about having a regional approach. These are the things we approve in terms of, do we try to steer that toward the housing that is hardest for us to be able to achieve. By all saying, we're not going to approve these programs in unless it actually is helping with the deepest discounted,

[3:58:07 PM]

most affordable housing. I think house hing after speaking with the county on that, that would be an idea I would support as I'm asking staff to take a look at it but maybe we could do something on that maybe with the county commissioners' court if there's an agreement to do that kind of thing regionally. Compatibility is here and I think the question that I have with respect to compatibility is does it make sense for us to take a look at whether there is some level of adjustment in compatibility that makes accepts to be able to exercise or claim some of the density bonus or other opportunities that exist tied to affordability on corridors? Ann? >> Kitchen: Well, I think this one would take a lot of conversation and the problem

[3:59:07 PM]

is you don't want to do anything -- well, I don't know. I've seen plans, for example. There are district level plans or area plans that -- where compatibility is discussed and decided upon as part of an overall picture of what is planned for an area. So I've seen that work. I think this is an area that requires a whole lot of conversation, causes a lot of concern for people. And so what caused the most concern for people is if it's not talked about in the context in a way that understands the context or in a way that allows for people to have a role in what's going on. So I'm not sure that it's that much of a problem. I really am not. So before we take on something like that I'd really like to understand why are we doing this?

[4:00:07 PM]

In other words, what is the question that we're trying to resolve and what is extent of the issue? >> Mayor Adler: And I'd agree with that. We should pick it up when it's not something that actually has a real material impact. >> Kitchen: I'm not certain it does really. Happy to look into data, but when we were looking at vmu stuff, for example, and going to vmu 2, which is 90 feet, you know, not seeing that as a real problem, of course you always have lots that are more shallow that might have an issue but those are best handled on a case-by-case basis. >> Mayor Adler: Okay. Anything else on this list that anyone wants to raise? Yes, councilmember Ellis. Paige? >> Ellis: Quickly, I think workforce housing supply ended up on there twice so we may have missed the

[4:01:10 PM]

permitting for housing affordability and the parking requirement, unless I missed it. I just wanted to make sure that we're getting closer to 4:30 that we didn't forget to figure out if we have next steps on those to identify today. >> Mayor Adler: Let's talk about those. I think it's

the time to do that now. Again, I don't know if you want to speak to that. >> Ellis: I can just briefly because I know I mentioned it in my message board post and I know others have commented as well on these particular issues. But I know in our current code we have a site plan exemption if it's single or duplex, but once you get into some of the more missing middle housing you end up in the big category like you were building a big -- I needed a full site plan. I think the cost might be the same and the timeline maybe the same each though you're only building four units instead of 100.

[4:02:10 PM]

Correct me if I'm wrong on that, but I just know when we were looking at some of the information from abhor and housing works that some of the needs were identified that in that middle missing zone that something was right sized for permitting and timeline to make those units a little easier to get through the planning process. >> Mayor Adler: So I agree with that too and we'll go to Austin here in a second. I think one of the quiz we have, we keep coming back to a lot of the permitting questions of the things we can be doing to speed up permitting, can we target permitting enhancements, whether that be expedited permitting or standardized form permitting in certain instances where certain solutions have been precleared. I don't know what it would be. But we do hear that a lot of the missing middle housing that we want to be able to create is hard for people to

[4:03:11 PM]

do in part because of the permitting process that we have. And if that's true then are there things that we can be doing that was targeted to the particular kind of product that we're trying to encourage the market to give us? >> Ellis: I believe even councilmember kitchen didn't you have a resolution about how this works with affordable housing in particular and trying to identify ways to get affordable housing through the process quicker? I think you just had one of those recently. Was that your resolution? >> Kitchen: I supported that. I don't think I brought that one. I definitely think that that's a subject that needs to be -- I would be in favor of doing that. I think to the extent that we're talking about the permitting process I would love to have some concrete

[4:04:11 PM]

solutions that we could put in place to expedite those processes are. >> Mayor Adler: So targeted permitting? >> Kitchen: Wherever it's needed. >> We could either have another session on this, but getting updates from staff and recommendations about what are some of the tools that we can get at to what you're directing right now. >> Mayor Adler: Kathie. >> Tovo: Yeah, I'd like that. We've heard some different recommendations related to permitting and the process but I'm not sure we have our staff here to ask those questions of right now. But one thing that I had heard that I'd like to kind of truth test with our staff is whether smart housing in addition to fee waivers they are also supposed to get expedited permit and I had heard that some smart housing projects and potentially some other affordable housing projects

which should be moving through the process quickly based on previous process and policies may be -- I would like to better understand sort of where

[4:05:14 PM]

they -- how quickly they're moving forward. At the same time I think there are some other projects that are able to access expedited permitting and I'd like to see kind of how that all shakes out and whether our affordable housing projects are moving -- are moving forward as quickly as they might be or whether they are kind of falling behind some of our other projects that now have the ability to access expedited permitting too. >> R. I think that was a long way to say we need more information and we are finding out how much of a priority housing developments are because we have others that can now expedite their projects through the process as well. In addition to some of the other process changes that people have suggested from the building industries. >> Mayor Adler: Councilmember Fuentes and then councilmember alter. >> Fuentes: Yes, I definitely agree this topic area is one that I am personally interested in exploring and would like additional information. I'd be interested to see how

[4:06:18 PM]

Austin fares with other cities in Texas and doing some peer analysis would be helpful. And also just having an update. I know during the budget process we authorized 41 new full-time employees so I would like to know what the status is with those employees and have we been able to hire at this point. And it looks like the item you referenced, councilmember Ellis, was part of our budget conversation, perhaps it was a budget rider that came forward that sought to establish an expedited permitting process for affordable housing so I would also like to get an update on that piece as well. >> Mayor Adler: Good memory. So I think we've hit that. What about is it viable for us to talk about looking at parking requirements in the immediate area of project

[4:07:22 PM]

connect corridors? Ann? >> I would support a conversation about parking. I would like to hear from our transportation folks on that. I do think that it makes sense to make some changes to our parking requirements and I think that it makes sense to look at those in the context of one thing would be project connect. That might not be the only thing. It might also be something that we need to look at as part of some of our vmu or our other bonus programs. So I think it would be -- I would be interested in having a conversation about parking. I'd like to talk to our transportation folks about what was brought forward to us before and what they might recommend at this point as a way to take some steps towards more flexibility in parking. I also think that it might be part of a conversation around our tias. I know there was some proposed provisions in the

[4:08:24 PM]

transportation code that was proposed in the past that related to the traffic impact processes and also about travel demand management which all relates to parking. So that's an area that I would be interested in bringing something forward on related to the tia's and tdm in particular. So I would be doing a resolution related to that and put something on the message board about it. Just happy to work with whoever wants to bring something forward related to parking. >> Mayor Adler: Okay. Other things that people want to discuss. Yes, Pio. >> Renteria: And I agree with Ann and I would like to work with you and be a co-sponsor on that. On reducing the parking requirement. I had to go through the process for Chalmers court

[4:09:26 PM]

in the last section to put them through the part of saltillo so they didn't have to build as much parking because it's so expensive. Especially if they will be deeply affordable like Chalmers court are, at 30%, a lot of the people do not drive and they use the public transportation. So that's an excellent idea that should be used especially around our transit corridors. I encourage you to use our public transportation and require as much parking. So I agree with that. >> Mayor Adler: Okay. I agree with that too and support that. I would be happy to work on that together. Councilmember alter had raised -- go ahead, council member, your hand was up, go ahead. >> Kelly: Thank you.

[4:10:28 PM]

I wanted -- I got skipped a little bit back so I'm going to go back to the targeted permitting. I agree with councilmember Fuentes that I would like to see more information on how the investments we've made into the development center and to staffing for tsd how that's working out and we've made really considerable investments over the last few years and we've had the one stop shop open to the public and at some point we should see some improvements otherwise there are some broader issues of management there that we need to be addressing further because the resources have been provided. I do want to acknowledge that the amount of permits have gone up considerably as well so we have to calibrate that, but we at some point need to see some return on those investments and -- or an understanding of what are

[4:11:28 PM]

the remaining sort of obstacles that are there. >> Alter: With respect to targeted permitting, I would add some targeted permitting or zoning restrictions for affordable housing. We have some things in place for our different pieces, but I think that we could consider further things with respect to affordable housing. While I think we could have a conversation about parking, I don't think that's going to be a short or quick conversation, so I think that might be a medium or long-term place that we might be able to get to and target. But I don't think that's going to be super quick. There's some other things on the list when you're ready to move down that I wanted to be sure to discuss as well. >> Mayor Adler: Let's go ahead and do that now if there was something that you wanted to pull out.

[4:12:29 PM]

Go ahead. >> Mayor Adler: I wanted to pull out the opportunity that I raised for supporting skilled trade training. We have set aside considerable dollars as part of arpa for workforce training so there's some money that's already there. There are models of training programs. We have begun to do stuff with apprentices in some of our programs. But I think that we are not going to be able to sustain an increase in supply without an increase in supply of labor, and we could play a role and this is something that could change some of the dynamics quickly because it doesn't take three years for at least all of the trades to get somebody in a position where they could be helpful on a job scene but they do require the training. And it's also something that we could be offering to citizens -- to residents who are in Austin now to help them be better able to

[4:13:29 PM]

afford and to upscale themselves. So I don't know what the processes is on that money. That's obviously a different department than housing and planning being EdD that's governing that, but I would like to see what we could do there that would be targeted towards skilled trades. >> Mayor Adler: I agree with that too. I think it would be helpful if we brought in Tamara with workforce solutions to report to the council. Obviously that's something the city funds, the county funds and it becomes then kind of our regional workforce development plan. And that plan focusing on primarily three kind of training opportunities that don't require a four year degree or require a two year degree or even in many instances as councilmember alter says, significantly less than that. But the three areas are health care for nurses because there's obviously a critical need for that in

[4:14:30 PM]

the city. The second is tech jobs that don't require a four-year degree because the demand is there in our city right now for people that will go get a tech certificate in certain areas and that's the job program that Tesla is running right now with ACC in the start program. But the third area is skilled trades and one of the best opportunities for people to ladder up themselves and their families. So there's a lot of work that is being done. I know that EdD was talking to workforce solutions because they become a funding allocator for entities like capital idea and skill put alliance and others in the community that are providing those services and they operate as kind of a clearinghouse to match those with ACC and other --

[4:15:34 PM]

I think it's a critical need. I share that priority and think it would be helpful if Tamara either in written form or otherwise gave a report to the council. I know we're doing things here that are not being done other places. She's doing great work, workforce solutions is. I would also support the kinds of things on this page that look to me to be infill items. I include in that the mf items that councilmember kitchen raised but also the sf5 and sf-6 items that councilmember



pool raised. Again, if that would be -- result in significant market opportunities that might drive additional supply of housing, I think that might -- if there's support for that and that's achievable on the dais that might be something that the

[4:16:36 PM]

manager might be a priority that you take a look at or that council members move forward with with ifc's. Councilmember tovo and then councilmember kitchen. >> Tovo: I want to be sure that we don't run out of time in talking about the process and really clarifying what the process here looks like. If now is the time to do it I'll just jump into it. Mayor, I may have misunderstood some of your direction to the manager, but I would just suggest on these items where there may be consensus around certain changes that we have council members bring those forward as ifc's. I think that's the best way to ensure that there is actually a level of support prior to it hitting the dais and I would prefer a produce at this point that really allows the council to take ownership of those policy measures that we're going to bring forward and discuss. So at this point that would be my suggestion. I think there are some areas where we've asked the manager for more research to come back to us with regard

[4:17:38 PM]

to, you know, -- what was the item that we discussed earlier. Ideas or programs or policies. But with regard to actual policy changes I think those should come to the council. That may have been everyone's intent. I want to clarify that's the what I support as a process. >> Mayor Adler: And I didn't intend in any way to limit people from bringing policy items back, but I also think that the staff has expertise that I don't have. The questions I have, I could ask individually of staff and have them come back so that I could see whether or not I wanted to do an item ifc, but I would like to be able to use staff as a resource to help do that because I don't know the answers yet. It could be the staff comes back and says this is something that could be done to develop a lot of -- I'm not suggesting that they put

[4:18:39 PM]

something on the agenda for us to enact if that was the question. >> We're in agreement. I mean, coming back to us with recommendations or follow-up or whatnot, but as long as we're clear on them not adding items to the agenda for council action with regard to this -- >> Mayor Adler: We're in agreement. >> Tovo: We're in agreement. >> Mayor Adler: Councilmember kitchen. >> Kitchen: Yes, I agree with that approach. >> Mayor Adler: I think that's the next step. If a council member wants to bring an ifc now we could do that on anything we want to do. Manager, I would like the staff's expertise at things that you think meet the criteria we've set today, greatest impact achievable on the dais and then report back to us so that somebody might be able to pick that up. Great, thank you. Else what? Are there any other things that we should talk about? Councilmember kitchen. >> Kitchen: I don't know if councilmember alter wants to do this or not, but earlier I know she had

[4:19:40 PM]

raised some time to talk about something that's on our agenda tomorrow, number 48. I don't know if she still -- I don't want to speak for her. Did you want to still -- do you want to do that now, council member. >> Alter: You can speak to it. That's fine. >> Kitchen: Let's see, we have 10 minutes? I can give a head's up on the question. Okay. So owe. >> Mayor Adler: This is a housing item. Kid yeah, it's a housing item. It's number 48 is a housing item. So this is a head's up that I have a lot of questions about it. I don't feel like I'm ready for it tomorrow. I'm happy to have a conversation on it tomorrow and provide some information about my questions and then maybe it's ready at the next meeting. But -- I just wanted to give people a head's up. I have a whole list of questions. The concept is fine. But I think that the way it's written, it's very,

[4:20:44 PM]

very broad and I'm concerned about the time it will take. My concerns are can we be a bit more targeted about what we're trying to find out? I don't think we can have that conversation right now but that's to give a head's up on the conversation that I want to have about that tomorrow and I am also going to suggest that we postpone it. >> Mayor Adler: So it's not so much tomorrow, but the conversation to come up on Thursday because there's not a meeting tomorrow. >> Kitchen: I'm sorry, I'm skipping a day. >> Mayor Adler: And 48, that's the one being brought by the mayor pro tem. >> Kitchen: And she's not -- >> Mayor Adler: Present. Her staff may be seeing this and she may too. That's helpful for you to daylight that. I'm sorry? >> Kitchen: There she is. So mayor pro tem, I wanted to give you a head's up and I can put it on the message board too but I have a lot of questions and interested in something more target and quicker and so I'll put my

[4:21:45 PM]

questions -- I'll try to get them on, I won't promise I'll get them on tomorrow, but I'm going to be looking to see if we can postpone it from Thursday because I do have some more questions on it. And again, the concept of asking for information about cost is not a problem. I support the concept. I just need to understand better what we're trying to arrive at. And wanted to explore whether we might be able to do it faster than a year and some various other things like that. >> Mayor Adler: Yes, mayor pro tem. >> Harper-madison: I just wanted to respond to my colleague. I woulding perfectly willing to postpone to December 9th and be able to answer some of those questions. >> Mayor Adler: Sounds good. Councilmember Ellis. >> Ellis: I wanted to point out at least in the version I'm looking at it says may so I want to make sure as we have that conversation that we are taking that into consideration. I guess it's December 1st

[4:22:48 PM]

2022 and a presentation in may. Okay. Never mind. >> Kitchen: Right, I know, that's a whole year. >> Ellis: Let me read it again. [Laughter]. >> Mayor Adler: Yes. So it looks like 48 will be postponed, not considered on Thursday. Councilmember Renteria. >> Renteria: Can you remind

me of our meeting? Are we having a meeting tomorrow? >> Mayor Adler: No meeting tomorrow. It's been postponed so we just have a council meeting on Thursday. And then we have a work session next Tuesday and a council meeting next Thursday. >> Renteria: Thank you. >> Mayor Adler: And that agenda will be posted on Friday. Has yet to be posted. Councilmember kitchen. >> Kitchen: Just one other thing for my colleagues, very quickly. I did raise the question of relocation assistance and tenant protections. The relocation assistance is

[4:23:49 PM]

something that I wanted to explore next week but I'm just giving you a head's up on that. The problem that I'm trying to solve for is two things. First as we have the growth going on that we have in our community, we have more -- we have units now that are more affordable and they may be market rate targeted for folks at 100% of mfi or 80% of mfi or something like that and they're getting torn down and being built into much more expensive housing. So a number of years ago we had passed a resolution that set forth a path for some type of relocation assistance. And we weren't able to follow through on that for a number of reasons. So that's the subject of the executive session next week is what was the barrier to following through and what might be other paths?

[4:24:50 PM]

And I just think from a general perspective it's important for us to explore again right now what we can do because it's happening all over the city right now and people are being displaced because the places they're living are being torn down and replaced with more expensive housing. And that's going to continue to happen. So we need to explore what is it that we can do? We started down that road a couple of years ago so I'm very interested in taking that back up again and seeing what we can do that would be effective. >> Mayor Adler: Okay, helpful. Colleagues, anything else? >> Cronk: Mayor, I wanted to thank the mayor and council for this really engaging conversation today. This is exactly where we should be as a community, talking about these critical issues and I want to thank our staff for their very important work and we look forward to continuing this

[4:25:50 PM]

dialogue and making these important policy choices and supporting you going forward. Thank you very much. >> Mayor Adler: Manager, thank you. I think the next step with regard for your office to look at this is look at this conversation and come back to us with what your recommendations would be based on this criteria. Great, thank you. Anybody else have anything else before we sign off for the day? All right. I appreciated this time, this work. Let's move forward on the ideas that we can. Mayor pro tem? >> Harper-Madison: Thank you, chair. I was just going to ask, I'd like very much for us to be able to utilize the tool that is the message board. So if there are questions I'd like very much for folks to be able to post those to the message board and that way the continued conversation is as efficient as possible. >> I think that's a reasonable request.

[4:26:50 PM]

Okay. Anything else? Then at 4:26 this meeting is adjourned. Thank you, everybody.