



College Student Commission

Recommendation 20220429- Draft: An Obligation to Reform Progressive Neoliberal “Affordable” Housing in the City of Austin Part 1 of 2

Authored By: Commissioner Edwin Bautista (UT Austin)

WHEREAS, the College Student Commission recognizes that housing is a human right¹ and does not condone its financialization² nor its commodification³; and,

WHEREAS, the College Student Commission recognizes the term “progressive neoliberalism” to describe the dominant political-economic paradigm of the past half-century and defines it as a synthesis of identity-based social movements and various financial sectors that represents an effort to render capitalism palatable, celebrating virtues such as racial diversity and female empowerment while nevertheless supporting economic expansion and financialization that exacerbates inequality⁴; and,

WHEREAS, the College Student Commission recognizes that contemporary mixed-income housing developments mask poverty through neoliberal policy tied to market based incentives and therefore creates a need for alternative means to affordable housing that are independent of the market⁵; and,

WHEREAS, the College Student Commission recognizes that the City of Austin is in the midst of an affordable housing crisis⁶, increasing the risk of displacement⁷ and creating financial hardships⁸ among vulnerable low-income populations including college students⁹ and the college workforce community¹⁰; and,

WHEREAS, the median family income (MFI) in the City of Austin, as determined by the U.S. Department of Housing and Development, is \$110,300 and increased more than 10% from \$98,900 in 2021¹¹; and,

¹ <https://www.austintexas.gov/edims/document.cfm?id=373015>

² <https://journals.sagepub.com/doi/full/10.1177/0924051920923855>

³ <https://www.statesman.com/story/business/2022/04/19/american-campus-communities-austin-tx-sold-ny-blackstone/7366553001/?csp=chromepush>

⁴ <https://www.jacobinmag.com/2021/10/texas-hyperreactionary-neoliberalism-capitalism-keep-austin-weird>

⁵ <https://digital.library.txstate.edu/bitstream/handle/10877/12258/WILLIAMS-THESIS-2020.pdf?sequence=1&isAllowed=y>

⁶ <https://www.kvue.com/article/news/local/central-texans-open-up-about-the-affordability-crisis-in-austin/269-9215788c-8826-4cce-8666-483eef9ee72>

⁷ <https://www.statesman.com/story/news/2022/04/18/housing-program-set-help-low-income-austin-families-own-home/7318882001/>

⁸ <https://www.statesman.com/story/news/2021/12/17/austin-college-students-struggle-rising-rental-costs/8640704002/>

⁹ <https://www.statesman.com/story/news/politics/county/2019/08/08/austin-city-council-gives-preliminary-nod-to-controversial-domain-on-riverside/4508362007/>

¹⁰ <https://rebusinonline.com/priced-out-adding-affordable-units-to-student-housing/>

¹¹ <https://www.austinmonitor.com/stories/whispers/federal-income-numbers-for-austin-are-up-by-about-11-percent/>

WHEREAS, in March 2022, the median price home price in the City of Austin was more than \$645,000, an increase of 21.9% compared to previous year¹² while the appraised median market value for all homes in Travis County increased by 53.6% and has risen 78% since 2020¹³; and,

WHEREAS, in March 2022, the median rent in the City of Austin was more than \$1,500, a 32% year-over-year increase¹⁴; and,

WHEREAS, a report by HousingWorks¹⁵ stated almost half of renters in the City of Austin are “cost burdened,” meaning they spend more than 30% of their income on housing, hindering their ability to pay for food, transportation and other necessities; and,

WHEREAS, research studies show that students facing housing insecurity have lower GPAs, poorer health, and higher rates of depression and anxiety than those who do not face this issue¹⁶; and,

WHEREAS, the College Student Commission recognizes that on October 17, 2019, by a 6-3-1 vote, the Austin City Council approved a rezoning request to redevelop numerous historically affordable and primarily student-leased apartment complexes on East Riverside Drive into a luxury mixed-use development, against opposition and protest from the college student community¹⁷; and,

WHEREAS, the Austin City Council approved rezoning request will result in the razing of 1,308 affordable units, with a promise to produce 4,700 multifamily units (“between 400 and 565” units being affordable to “individuals who make up to 60% of the area’s [MFI]”¹⁸) over the course of 20 years, beginning in 2023; and,

WHEREAS, the Austin City Council approved redevelopment on East Riverside Drive will result in a drastic reduction in the affordable housing supply available to current and prospective students, restricting the opportunity of higher education to historically marginalized low-income college students, but is nevertheless granted to them by admission to a college located within the City of Austin; and,

WHEREAS, a 2019 Memorandum to City of Austin Staff written by Root Policy Research regarding college student effect on rental housing prices stated “updated comparison of rental needs by income range for the 2019 Housing Market Analysis found a shortage of 36,400 affordable rental units for renters earning less than \$25,000 per year (including students).”¹⁹

¹² <https://www.redfin.com/city/30818/TX/Austin/housing-market>

¹³ <https://www.statesman.com/story/business/2022/04/15/tcad-austin-market-home-values-soar-travis-county-appraisal-district/7331447001/>

¹⁴ <https://www.zumper.com/rent-research/austin-tx>

¹⁵ <https://housingworksAustin.org/wp-content/uploads/2021/06/2020-HWA-District-Analysis.pdf>

¹⁶ <https://timely.md/blog/housing-insecurity-college-students/#the-impact-of-housing-insecurity>

¹⁷ <https://thedailytexan.com/2019/10/18/riverside-rezoning-passes-developers-to-begin-construction-in-2023/>

¹⁸ <https://communityimpact.com/austin/central-austin/development-construction/2019/10/17/austin-city-council-approves-zoning-changes-for-controversial-97-acre-urban-village-on-east-riverside/>

¹⁹ <https://www.austintexas.gov/sites/default/files/files/Housing/Memo%20on%20Student%20Effect.pdf>

WHEREAS, the College Student Commission recognizes the model of Group-equity Housing Cooperatives, as implemented by College Houses, Inc.²⁰ and Inter Cooperative Council of Austin²¹, has an extensive history of de-commodifying housing and preserving affordability in the West Campus neighborhood despite the ephemeral nature of colleges students²²; and,

WHEREAS, College Houses Fall 2022/Spring 2023 rent rates range from \$917-\$999 for a single private room and \$705-\$764 for a double shared room, including bills & meals²³; and,

WHEREAS, ICC Austin Fall 2022/Spring 2023 rent rate range for a single private room is \$850 and \$625 for a double shared room, including utilities, food plus 24-hour kitchen access, internet, and cooperative educational services²⁴; and,

WHEREAS, Housing “Cooperatives have provided space for communal wealth building and a democratic breath within the undemocratic nature of laissez-faire principles that encompass today’s economic milieu.”²⁵

NOW, THEREFORE, BE IT RESOLVED, that the College Student Commission urges the Austin City Council to strongly consider the following recommendations:

RESOLVED, that the Austin City Council direct the City Manager and Housing and Planning Department to collaborate with housing non-profits, such as College Houses, Inc. and Inter Cooperative Council of Austin, to develop affordable housing for college students near all institutions of higher education in the City of Austin; and,

RESOLVED, that the Austin City Council direct the City Manager and Housing and Planning Department to increase the transparency and accessibility of the University Neighborhood District Housing Trust Fund by housing non-profit organizations; and,

RESOLVED, the Austin City Council request the City Manager to work with the Director of the Neighborhood Housing and Community Development Office to reassess the UNO affordability in-lieu fee structure to maximize the revenue collected and increase deposit consistency; and,

THEREFORE, BE IT FURTHER RESOLVED, that the Austin City Council direct the City Manager to work with the Housing and Planning Department to take an active role in collaborating with each higher education in the City of Austin (Austin Community College District, Concordia University, Huston-Tillotson University, St. Edward’s University, and the University of Texas at Austin) and the communities they serve in identifying viable sites for the development non-commodified, non-market, affordable housing.

²⁰ <https://collegehouses.org/about/>

²¹ <https://www.iccaustin.coop/about/>

²² <https://digital.library.txstate.edu/bitstream/handle/10877/12258/WILLIAMS-THESIS-2020.pdf?sequence=1&isAllowed=y>

²³ <https://collegehouses.org/rates/#FSfuture>

²⁴ <https://www.iccaustin.coop/availability-rates/>

²⁵ <https://digital.library.txstate.edu/bitstream/handle/10877/12258/WILLIAMS-THESIS-2020.pdf?sequence=1&isAllowed=y>