

# Austin Housing Finance Corporation (AHFC) Meeting Transcript— 7/28/2022

Title: ATXN-1 (24hr)

Channel: 6 - ATXN-1

Recorded On: 7/28/2022 6:00:00 AM

Original Air Date: 7/28/2022

Transcript Generated by SnapStream

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>> Mayor Adler: Let's go ahead and recess the Austin city council meeting here at two minutes after 11:00 and let's convene the meeting of the housing finance corporation here on July 28, 2022. The board of directors are present. We have a quorum.

[11:02:54 AM]

We're meeting in the city council chamber and council member Fuentes is with us remotely. We should note that there are some changes and corrections that we want to read into the record -- specifically, there's a late back-up in item number 2. There's a late back-up in item number 2. Is our staff with us? Actually, before we do that -- I think we may be able to close out the meeting rapidly as well. Let's go ahead and ask for speakers. Let's get the remote speakers and then the speakers in person.

>> First speaker is George Hindman.

>> Hi.

[11:03:56 AM]

I'd like to thank you for time to speak. I'm a resident and former district one council member candidate. I live close to the lot and there are various issues that need to be addressed. I'm going to speak to the financial responsibility. The city chart shows over \$7 million in subsidies. The foundation community proposal requires almost no subsidies. The proposal shows it's more like 15 million over 10 years. There are issues with viability obtaining HUD loans. There are serious questions about performance in the Houston projects. The chronicle has had stories about them -- there have

[11:04:58 AM]

been big issues [indiscernible] Or until it can be further vetted. Thank you.

>> Ben Highsmith.

>> Council and mayor, I'm vice chair of historic landmark commission. I'm speaking in capacity as a neighbor. I live 300 feet from this property. The neighbors have wanted affordable housing for years. This history with the site has not been good. Public works used it for an industrial site. There was an unfortunate proposal for a homeless camp on the site which we did not support and with your help we were able to have that now not directed anymore. We worked with the staff when

[11:06:00 AM]

foundation communities responded to the rfp it met the criteria we thought most important. The proposal doesn't do either. There's a five-story wall that is going to be built at the current proposal at our homes on Greenwood. We're single family homes and there's five stories up against us. Doesn't make sense to us. The proposal is primarily single rooms. This is not accommodating families. We urge you to reconsider this recommendation.

>> Okay. So the speakers are now in person. We have con Eric nor -- Connor Kenny and in queue is Roger

[11:07:01 AM]

kanali.

>> We're proud of our proposal and the diverse team. E wanted to ask if city council had direction on our expanded commercial auction to create more space for nonprofits and businesses on the site. We're happy to continue working with city staff to craft a new part of the community, including if council has direction on trying to include multibedroom units and to correct a misperception, we are tapering down to three store on Greenwood across from the units. We have other team members speaking here but not speaking with us on our great team are principals with capital a and civiltude. We'd like to think this reflects our community as a

[11:08:01 AM]

city and the community to which this development is coming, and we're here for questions.

>> Roger Canales.

>> Hello. I'm with nhp foundation. I'm regional director of development. We're a nonprofit housing developer. We have been in Texas since 2003. As regional director I've been working in this area over 20 years. My colleague, she worked for the city and housing department. With your partners capital a and integral care, we're excited and believe it makes this rfp -- community and priorities -- this project identifies the items that were talked about with the community

[11:09:02 AM]

and with the neighborhood. We're really excited about this project. We've even been providing office space for raising in the sun and origin studio house. We've been providing live/work. We're excited about the project and hoping to get your support. Thank you.

>> Good morning, council members. I'm the practice administrator. We seek your support for this proposal. When your neighbors are moving from homeless to house, there's high acuity of need. We designed and built the first of its kind, modeled after other programs across the

[11:10:05 AM]

country. Sea brook square [speaking rapidly] -- It's critical we move ahead to draw down on state funding. As required by the rfp, all residents of the portion of Seabrook square will be referred through the entry system. Thank you for your consideration and on going investment as we work toget to end homelessness in Austin, Travis county.

>> David vaun.

>> Good morning. We'll be doing community engagement to bring east austinites in need of affordable housing to the development. We urge you to consider expanded commercial objects.

[11:11:05 AM]

We'll be able to provide small business and nonprofit development to the residents that seek mentorship, credit readiness, and entrepreneurship and development. Thank you.

>> Hello. I'm CEO of portrait studio house. Origin studio house is thrilled to be the partner in the Seabrook square development. Our community is at the core of this project. We urge your support in this project. Thank you.

>> Pamela Owens.

>> Good morning, mayor and city council. I'm the CEO of sixth square Austin black cultural -- our

[11:12:10 AM]

voices have been heard. I urge you to support this project because it expands space for nonprofits, artists, and small businesses. It's important for us that we really look at how to expand and use space. Six squares commitment is to help place the artists in the ten units that will be part of this affordable housing project. It is a huge opportunity for us to do right by the community and to not just talk about it but be about it. I urge you to consider it strongly. By doing that, you will absolutely be aligned with the work that needs to be done to create true collaboration, true community, real access to assess a

problem, and ie that the Austin economic development corporation is supported in these efforts. Thank you.

>> Quincey Dunlap.

[11:13:11 AM]

On deck is Angela Garza.

>> Hello, mayor, city leaders. Thank you for your time here. I'm representing east mlk. We got some information right now about the number of units that are actually going to be provided by nfp. The Na did not -- it has been one of the most gracious Na's to try to come in with models that will house folks in so many areas, in so many vast differences. And they have not really had the time -- we found out there was a drop with communicating and paperwork. In all fairness to the Na, the paperwork was not grounded. When we try to be proactive and let them know there is a

[11:14:11 AM]

disconnect between technology and paper that needs to communicate to the team -- to the neighborhood association. In all fairness to them, they're not actually saying this is a bad idea. But we just found out we could postpone until September 1 just now, instead of September 30th. So that's misinformation.

>> Joshua Ellinger. On deck is Dalia hindenman. Dalia hindenman.

>> Hello. Our president is going to speak in more details in a bit. We are asking you to override the city staff pick and

[11:15:11 AM]

authorize foundation communities for the project. 34 per cent of Austin homeless is families with children. The 3515 manor spot is on the boundary with more than 2,000 homeless kids. Supposedly we are not in a child care desert but when we call day cares they're all full and have wait lists so extreme they're not taking names anymore. The M station foundation community wonderful open door school there has a list over 200 kids and they're not taking more kids. We are now working to stay in jj sea brook. Please hear us and please override and vote for

[11:16:12 AM]

foundation communities and promote the excellent stewardship. You will reap dividends in the future. Thank you.

>> Phillip kneemayer. On deck is Beth notingham. Chase Wright? On deck is Elizabeth Johnson.

>> Good morning, guys. First want to take the time to thank our city council. I want to thank council member harper-madison's office.

[11:17:12 AM]

I'm president of Springdale park neighbors. We are a nonprofit. We are engaging with echo, anybody involved with the elution of homelessness crisis we are involved with. I'm here to speak in reference to development of nhp. We would like anyone -- if they are allowing nonprofits to move the space. Nonprofits are the ones who are boots on the ground, out in the field helping these individuals. I work with over 170 clients and they all need housing at this point. If we are in favor of the nhp or not -- at this point I would like to mention -- we don't have questions for the California -- what is it -- alchemy? We ask they give arch employees to engage with them as well so they are not displaced for

[11:18:13 AM]

work. It's no secret the arch problem started outside. Let's give the employees a chance. Thank you.

>> Mayor?

[Applause].

>> Chase, would you mind? I'm going to do two things. I'm going to ask you to tell people what you do. I want to talk to you about what community looks like. We've had that conversation briefly this morning. We had a shack problem in my community. The truth of the matter is every district has a shack. It's the stop and shop, the pop in and go. It's the gas station where people congregate. It's the one where they've been doing it for years. Not right, not wrong. Just is, right? Old school austinities who been congregating at spots for years. As the community grows and

[11:19:15 AM]

changes and people -- people have been flocking to the shack, much to the dismay of new neighbors who spent a half million dollars on their house in what they considered an up and coming neighborhood. Didn't anticipate they would have to deal with the original inhabitants. This is a story of how a community decided to work together. They worked towards a complete community. I've never seen anything like it personally. They started an organization and they started talking to the people who were the problem, right? Often times when we talk about blight we're not talking about conditions. We're talking about humans. The humans who were taking issue with the humans that were providing unsightly conditions were addressed by these two

[11:20:16 AM]

neighbors that got together -- you and Anthony got together and said how do we do this? They filled the shed with tools and build a tool shed. Nobody's shed is getting broken into and the weed whacker getting stolen because they have a tool share operation in the community. There's a resource share for healthcare access, for food and water. As a community these people got together and started an organization that helps to lift up people. People in the city of Austin have lived outdoors decades. This community got together. This people got together. One of the individuals who started the organization took out a second mortgage on his house.

[11:21:16 AM]

>> Yes.

>> Harper-madison: His money -- 40,000-plus dollars to address a need in his community. Then chase the commitment and the neighbors -- some of whom were not nice online. Next door is a spot. They didn't say nice things about me on nextdoor but they realized how connected I was to the cause. They stopped saying things about me online -- when you get elected they say things about you. It helps bring a community together when you acknowledge you have a leader who is connected to you. The people who were the maddest are at the table now.

>> Absolutely.

>> Harper-madison: As participants in the process. It's a beautiful thing. I want you to talk about -- when you show up and say I

[11:22:17 AM]

appreciate the work this organization does, I think saying you're a member of the Springdale organization didn't offer the the clout and the real-world lived experience you're bringing to the table when you make the assessment about this organization. If you can tell folks what you're doing.

>> As of nowt we have here, we are engaging with the community. We are invng new neighbors and engaging with unhoused neighbors. I had an opportunity to engage with the contact team. We explained what we're doing there, which is our system we're setting up. We offer these individuals work, the opportunity to eat every day. We offer them the opportunity that they receive clothes so they don't have barriers to seek good opportunity. My new problem is we have new neighbors not familiar with the culture. We have individuals here and they immediately become opposition. I have over 30 used

[11:23:17 AM]

individuals that have been working over four months. Now 15 of them have homes. They received housing. These individuals that you don't think can work their way out of homelessness are lower income-earning citizens I see it's a communication barrier. I see we need to get in the field and all need

to communicate. Kimberly with the director of Austin parks she's been in the field -- how can we get these individuals in homes. Some of them live in Austin parks and recs. They're -- we have a lot of high rent, not a lot of affordable housing. This will get them individuals out of these places. We all communicate from all

[11:24:17 AM]

levels, from top to bottom. We can cure this homeless crisis. At that point, I ask anybody who wants to engage with my nonprofit, anyone who wants to see how we can help -- let's fix this. Thank you.

[Applause] .

>> Tough act to follow. I'm not even going to try. I did send slides. If there's anyway those could come up. Liz Johnson? Good morning, council members and mayor. My name is Liz Johnson. I'm representing the -- I want

[11:25:19 AM]

to say thank you to building affordable housing. That has been asked for a long time. I'm here to represent the neighborhood about the properties. Our neighborhood has two complexes. Next slide. No. Sorry. Oh, crap. The handouts are all -- just put it away. Okay. Go back on the bottom left, our neighborhood has two deeply affordable places for people to live -- Franklin gardens. That is a total of 160 places. Those are units that are efficiencies, singles, and one bedrooms. I'm glad nhp is willing to include more units. I'm here because Franklin

[11:26:19 AM]

gardens and kinsington gardens are singles. I was hoping to get three minutes. The proposal was created. Foundation communities had a --

>> Mayor Adler: You can go ahead and finish your thought, but I can't give you three minutes.

>> You cannot?

>> Mayor Adler: Cannot.

>> All right. Well, it's all there in the handouts, in the back-ups, and the letter I sent is update frommed the neighborhood. Hopefully you can listen to the people that live right there.

>> Mayor Adler: Thank you.

>> Clinton Reary. That concludes the speakers.

>> Mayor Adler: Anybody else here signed up to speak on the housing finance corporation that I -- that didn't get called? That gets us to the agenda.

[11:27:22 AM]

If staff would come up for us. We're in the da. Two items. First is the minutes from the -- what was it? The June?

>> June 16th. Two things on your agenda.

>> Mayor Adler: Is there a motion to approve the minutes? Could want renterria makes a motion. Those in favor please raise your hand? Those opposed? I can't see council member Fuentes because we have a room view. She's not with us right now? It's a unanimous vote with council member Fuentes office

[11:28:22 AM]

the dais.

>> The second item is authorizing staff to move forward with negotiations with nhp foundation or other selected proposal to develop affordable housing on the site. I do want to -- we heard from variety of folks earlier, including the team, the nhp team which includes capital housing, raising in the sun, integral care. You heard from them earlier. I want to let you know the solicitation was an exciting event for Austin housing finance corporation. Because it was a joint solicitation, we worked closely with our friends at Austin public health to put out the solicitation, which we did on March 11th. We reviewed the solicitation

[11:29:23 AM]

internally, took it out for public comment for a couple of weeks. We had public comment closed on June 19th. We had 400-plus unique responses. We are recommending unanimously the nhp foundation proposal. It has the most affordable units proposed -- 262 -- and the most permanent supportive housing units proposed. I will note that all 60 of the

-- it also includes 160 multibedroom units. Out of all the prosew sals

[11:30:27 AM]



includes the -- proposals -- 82 of the units will be for folks at or below 30 per cent median income. We are happy to take any questions from the dais and we have nhp and partners here who can address any other questions.

>> Mayor Adler: Thank you.

>> As you noted, there was late back-up.

>> Mayor Adler: We noted that in the record. Thank you again for the reminder. Is there a motion to approve this? Council member harper-madison makes the motion. Council member Renteria seconds it. Discussion? Okay. Let's take a vote. Those in favor, please raise your hand. Those opposed? I'm seeing it being unanimous on the dais with council member

[11:31:29 AM]

Fuentes off.

>> Renteria: Mayor?

>> Mayor Adler: Yes?

>> Renteria: I really want to say thank you for your hard work. You know, this is very much needed in Austin, and this is just an example of what, you know, our bond money can do. So thank you.

>> Thank you very much, and thank you to our staff. Did incredible work on this.

>> Mayor Adler: Council member harper-madison.

>> Harper-madison: I was trying not to talk too much. You kind of did, Mandy -- someone asked if I felt optimism moving into this budget cycle and moving into discussions around things we're battling. The truth is I do. I'm optimistic. I'm calling them the rise-up generation. They're partied out and tired of doing things because they

[11:32:31 AM]

have to. Folks are recognizing if we want something different we can have it. All we have to do is go get it. I think this is a project where people are saying folks need a place to live and need services that go along with it. I think we're going to see more and more of this project that yields the outcomes as a community. I'm optimistic. I think decades of car dependence, sprawl, really rooted in exclusionary land-use practices -- this is something that's led us to status quo. There's not a person in the room who can't have a comprehensive conversation about somebody they know who's experiencing challenges based

on affordability in Austin. For many that's housing. I talked about this briefly right after the event. I hosted a town hall where a city of Austin employee came

[11:33:32 AM]

and talked to us about being homeless. He's couch surfing. He's gainfully employed by the city of Austin and doesn't have a place to live. We all should sit here in absolute dismay and shock. We're not shocked. We all know that guy. Even without knowing him we all now someone experiencing challenges around affordability of housing. I'm pumped about this and many more like it. I think as a body we have a lot of tools to address the problem and we're doing it. I appreciate we're doing the work. I think adopting policies that lead to more housing for more people in more parts of town -- particularly the transit friendly and walkable parts of town -- that's something we have to keep pushing for.

[11:34:32 AM]

We can't stop talking about access when we talk about housing. It's all directly connected. I appreciate -- we're recognizing the need is greater than what -- I'm a taxpayer too. I'll be paying for this too and I believe it will be well worth every dollar I spend. I'm especially proud to be part of casting a vote for yes on this project. Thank you.

>> Thank you.

>> Mayor Adler: I want to thank you for your leadership among many others on this dais working on this challenge, but we've talked about this particular three acres for some time now. I appreciate your leadership on this. Dealing with the homelessness challenge we have in the community was set as the number one priority for us to act on. We set it as the number one

[11:35:33 AM]

priority because the challenge we have, while daunting, is of a scale that we can meet the challenge and end homelessness if we're serious about it and if we do the work and put the resources to it. We have a chance of being the first city our size to do that, to actually end homelessness. And we've set that goal. We set a goal as a community over the next three years to house 3,000 more people than our system would otherwise house. And that requires us to build more permanent supportive housing. For the longest time the city had 500 supportive housing units and couldn't seem to budge from that number. When you tally up the number of units in the pipeline now with land identified and developers and financing identified -- so

[11:36:36 AM]

these are real projects, many of which the city of Austin is part of the effort to put on the ground. You're talking about 1300, 1400 units. That's a tremendous leap from a city that was holding it at 500 for a long period of time. And when you combine that with the ability, with vouchers as there are more and more project-based vouchers, we have it within our grasp to house more than 3,000 incremental additional people over the next three years to provide the services necessary. I -- you know, I hear the neighborhood come in and if you're only -- your only experience and only data point on what a facility looks like that is providing housing for

[11:37:38 AM]

people experiencing homelessness is the arch, then anybody who's going to live proximate to that is going to have concerns. So I think that the lesson for each of us is, number one, to recognize that the projects -- the arch was started B in 2000, or thereabouts. But the projects that have started recently over the last several years are project ins neighborhoods and you can't discern that that project is not just another apartment building, apartment complex in that neighborhood. They look that way, they feel that way. They contribute to the neighborhood that way. And I think that as we move forward and approve these kinds of projects, it's incumbent on us as a city to make sure that's how they operate because our ability to be able to open

[11:38:39 AM]

more facilities like this and to open up housing in all parts of our city so that we can house everybody that needs housing is dependent on our ability to help ensure that what we're doing looks like what's been built recently and does not look like what some people's memory is of what the arch was for too long a period of time. So ts our responsibility, and we have to make good on it. But this project -- the neighborhood and the folks, the stakeholders working together -- this was a big lift for our staff. It's just a wonderful project in the right place, at the right time, in the right way, D I just really, really appreciate everybody's efforts. Council member tovo?

>> Tovo: Yeah. I wanted to thank all who

[11:39:40 AM]

participated in the dialogue. It sounded as if all who participated, regardless of who they recommended, embracing having affordable housing in their neighborhood. I think that's important. I appreciate it

because this is us. These are our neighbors, our family members, these are people we live and work with and interact with all the time. I want to acknowledge this is across the street from district nine and we have some letters from that neighborhood association in support as well and also, you know, recognizing some different elements of the proposal. And I really wanted to thank staff because this is -- I remember in my first term getting some of those constituent e-mails of concern about this tract and this is such a great thing, to see the value brought to the site -- not that -- you know, when we're using city-owned land for

[11:40:43 AM]

city purposes, of course the public benefits. When we are able to take a public tract like this one, though, and assign it to the Austin housing finance corporation, we have an opportunity to do something that is really challenging to do in the private sector, which is to create significant amounts of affordable housing. Our community has urged us to take the underutilized city-owned land and use it for affordable housing, long before anyone in the community realized we were going to need it, we had members in the communicating advocating for affordable land. Thank you for making that transition and embarking on this process. I think it will be a great amenity and resource to our city. Thank you.

>> Mayor Adler: I think we've taken care of the agenda.

[11:41:44 AM]

With that, I'm going to adjourn the meeting of the Austin housing finance corporation. We're going to reconvene the Austin city council meeting here at 11:41, which will be the time we note for adjournment for the Austin housing finance corporation.