

# IMPLEMENTATION PLAN



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## **List of Abbreviations**

ACD – City of Austin Code Department

AE – Austin Energy

AEO – City of Austin Equity Office

AFD – City of Austin Finance Department

ALD – City of Austin Law Department

APH – City of Austin Public Health

ATD – City of Austin Transportation Department

AW – Austin Water

CPO – City of Austin Corridor Program Office

DSD – City of Austin Development Services Department

EDD – City of Austin Economic Development Department

EE/FHO – City of Austin Equal Employment and Fair Housing Office

HACA – Housing Authority City of Austin

IGR – City of Austin Intergovernmental Relations Office

NHCD – City of Austin Neighborhood Housing and Community Development Department

OTRA – City of Austin Office of Telecommunications and Regulatory Affairs

ORES – City of Austin Office of Real Estate Services

OoS – City of Austin Office of Sustainability

PARD – City of Austin Parks and Recreation Department

PAZ – City of Austin Planning and Zoning Department

PWD – City of Austin Public Works Department

SMBR – City of Austin Small and Minority Business Resources Department

TDHCA- Texas Department of Housing and Community Affairs

WPD – City of Austin Watershed Protection Department

# EXECUTIVE SUMMARY

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*This plan will outline strategies to meet Austin's housing goals, which include a variety of housing types, as seen here in Mueller.*

The Austin Strategic Housing Blueprint, adopted in 2017, provides a vision for the City of Austin to address the housing needs of existing Austin residents and households while also housing Austin’s growing population. The Blueprint’s purpose is to **“align resources, ensure a unified strategic direction, and facilitate community partnerships to achieve a shared vision of housing affordability.”**<sup>1</sup> Based on extensive community feedback and outreach, the Blueprint sets out five core “community values” that should guide the City’s housing affordability strategy, together with individual strategies that contribute to achieving each recommendation. These community values are:

- Community Value I: Prevent Households from Being Priced Out of Austin
- Community Value II: Foster Equitable, Integrated, and Diverse Communities
- Community Value III: Invest in Housing for Those Most in Need
- Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin
- Community Value V: Help Austinites Reduce Household Costs

To achieve these community values, the Blueprint establishes a number of geographic and numerical goals for housing preservation and production over the 10-year period between 2018 and 2027, including a need for 60,000 new or preserved housing units affordable to households earning 80% or less of the area’s Median Family Income (MFI), and 75,000 additional housing units affordable to households earning 81% MFI and above. It also sets forth 63 total policy and program strategies that the City should seek to implement during the 10 years following adoption of the Blueprint.

Upon adoption of the Strategic Housing Blueprint, the City Council also adopted two resolutions directing the City Manager to develop further detail implementation steps required to achieve the vision embodied in the Blueprint: Council Resolutions 20170413-024 and 20170413-025.

- Resolution 20170413-024 acknowledges that this is the first ever Housing Blueprint that will provide the critically important foundation to meet Austin’s housing needs. It also notes that “to articulate the vision and achieve success... it is necessary to have clear, specific steps, including identified resources necessary to achieve the specific goals.” It directs the City Manager to develop an implementation plan for the Strategic Housing Blueprint that includes action steps, short-term priorities, a process and timeline for reporting to Council, resource needs, and sources of funding for recommendations. It also recommends refining geographic goals for housing production and preservation, and utilizing an “atlas of existing and historic conditions” to assist in defining important geographies and monitoring change.
- Resolution 20170413-025 acknowledges that past corridor plans have been developed without affordable housing goals or strategies for preservation in place ahead of time, resulting in significant loss of existing affordable housing. Therefore, it specifically requests use of the Corridor Housing Preservation Tool developed by the University of Texas to “assess current conditions and set corridor-specific numeric goals for the creation and preservation of affordable housing for corridors throughout Austin, beginning with those corridors that will receive funding through the 2016 Mobility Bond.”

This *Strategic Housing Blueprint Implementation (SHBI) Plan* and its companion document, the *SHBI Atlas of Existing and Historical Conditions*, establish specific action steps, short-term priorities, and geographically-specific goals for meeting Austin’s housing needs. This document, the Implementation Plan, includes detailed action steps for achieving all of the 63 Strategic Housing Blueprint Strategies. The *Atlas of Existing and Historical Conditions* establishes geographic methodologies for allocating the Blueprint-proposed 60,000 new and preserved affordable housing units across the City and within each Council district. It includes an Opportunity Index that defines “high-opportunity” areas; a Displacement Risk index that uses University of Texas-provided data to examine areas undergoing gentrification, and an Environmental Index that examines areas of environmental risk for affordable housing development. Key conclusions from the Atlas, including geographic goals for

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<sup>1</sup> *Austin Strategic Housing Blueprint, 2017, p. 3.*

housing production, are also incorporated into this Implementation Plan document.

Several other plans and reports have been developed since the adoption of the Blueprint including: *Uprooted: Residential Displacement in Austin’s Gentrifying Neighborhoods and What Can Be Done About It*, *The People’s Plan*, the *Anti-Displacement Taskforce Recommendations*, the *Mayor’s Task Force on Institutional Racism and Systemic Inequalities*, the *Analysis of Impediments to Fair Housing Choice*, and the *Action Plan to End Homelessness*. Recommendations and strategies identified in these reports have been considered and typically fall into one or more of the five community values identified during the community engagement process which informed the development of the Blueprint.

The implementation plan recognizes that there is no single strategy that can bring the Blueprint’s goals to fruition, and that the goals set by the Blueprint are intentionally ambitious. It aims to show how the City can most effectively focus its policy, program, funding, and staffing efforts to help meet the goals in the next two, five, and 10 years. Ultimately, committing to the strategies and actions in the Blueprint in the short-term will help ensure that Austin remains a diverse, vibrant, inclusive, and sustainable community for many years to come.



*Homestead Oaks (top) and Mueller (bottom) are existing projects that informed strategies in this plan (source: City of Austin).*

# IMPLEMENTATION PLAN



*This plan will outline strategies to meet Austin's housing goals in all areas of Austin, like these units at the Plaza Saltillo Lofts. (source: City of Austin).*



# COMMUNITY VALUE I: PREVENT HOUSEHOLDS FROM BEING PRICED OUT OF AUSTIN

As the Austin region continues to experience population and employment growth, housing in the city near jobs and services has become increasingly unaffordable. Solutions are needed to prevent current low- and moderate-income households from being displaced by rising rents and taxes, and to preserve housing opportunities for low- to moderate-income households over the long term. The map below draws on data from the *University of Texas study, Uprooted: Residential Displacement in Austin’s Gentrifying Neighborhoods, and What Can Be Done About It*, to define the areas of greatest displacement risk in the City of Austin as of 2018.

The Blueprint and other recent studies, including the Anti-Displacement Task Force recommendations and the Uprooted study, recognize that the problem of displacement is multifaceted. Ultimately, displacement prevention strategies must include:

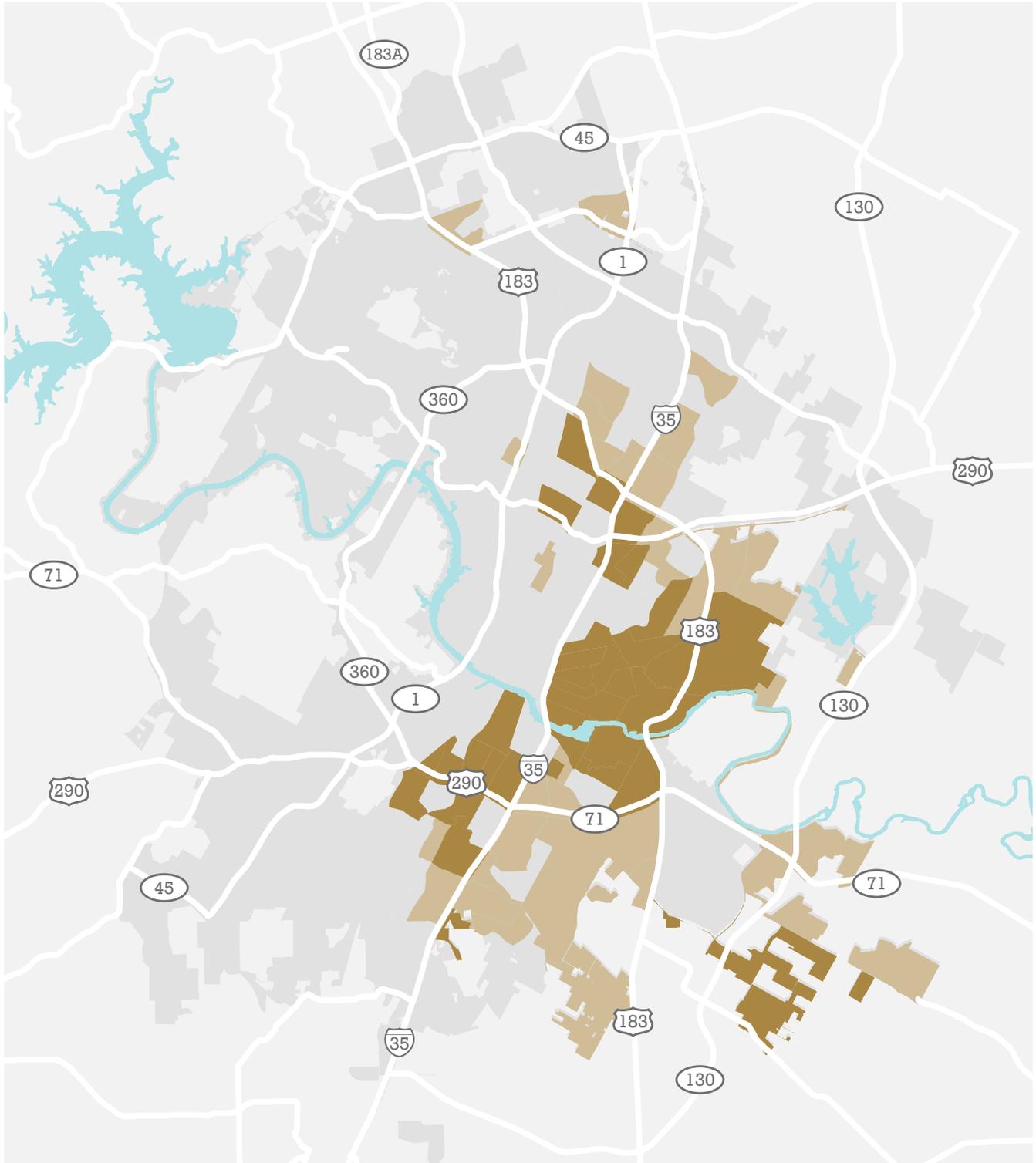
- Adding income-restricted housing for low-income and moderate-income residents. This “addition” of income-restricted housing can be accomplished in several ways: through new development of affordable housing; through acquisition and preservation of market-rate affordable housing; or through preservation of expiring income-restricted housing units that will become market-rate without intervention.
- Keeping existing renters and homeowners in place through strategic investments and supportive programs.
- Providing an adequate supply of housing for all residents at all income levels. As noted in the Blueprint, when there is a lack of housing units relative to demand for housing, prices for all types of housing rise.<sup>2</sup> Therefore, providing an adequate supply of housing for high- and moderate-income households will help address ongoing price increases that affect low and moderate-income households as well.

The strategies defined in this Community Value include making strategic investments in gentrifying areas, including affordability preservation near Mobility Bond corridors and other areas of public investment; growing the financial tools available to the City for affordability preservation; and expanding resources available to homeowners and renters at risk of being displaced.

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<sup>2</sup> Miriam Zuk and Karen Chapple, *Housing Production, Filtering and Displacement: Untangling the Relationships*, Institute of Governmental Studies Research Brief (Berkeley: UC Berkeley), 2016.

# Displacement Risk



- High Displacement Risk Areas
- Future Displacement Risk Areas



Source: Mueller, Elizabeth; Heather K. Way, and Jake Wegmann. UT Austin Gentrification Study. 2018. Downloaded May 25, 2018.

## OBJECTIVE I.1: EXPAND THE USE OF COMMUNITY LAND TRUSTS AND OTHER FORMS OF SHARED EQUITY OWNERSHIP

Between rental and conventional homeownership, shared equity ownership ensures that homes remain affordable to lower-income households on a long-term basis. One form of this, community land trusts, enables eligible households to purchase a home and lease the land underneath it (Figure 9). By taking the cost of the land out of the real estate transaction, homes in a community land trust are much more affordable than houses on the open real estate market.<sup>3</sup>

**Dedicating additional resources** to the program could help expand it. **Combining the land trust tool with regulatory changes through Land Development Code changes that allow for a range of multifamily housing types**, such as mid-density housing, could result in greater homeownership opportunities at an even lower cost to prospective income-eligible buyers.

### ACTION I.1.A: DEDICATE ADDITIONAL RESOURCES TO SHARED EQUITY OWNERSHIP PROGRAMS.

Like any affordable housing development, shared-equity ownership properties require an initial subsidy, in the form of public dollars, discounted public land, low-interest loans, or other resources to achieve affordability. Shared-equity ownership, especially in a multi-unit building, can be a more efficient use of public dollars and land than traditional affordable housing, because one initial subsidy can last permanently or for 99 years. In contrast, the affordability restrictions for City-subsidized units expire after 40 years, which then requires new investment to replace these units; some properties funded without City subsidy may become market-rate after just 15 years. In order to define a final amount of resources to dedicate toward shared-equity ownership, the City should:

- Issue a Request for Information to local organizations that further shared-equity ownership

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*3 Stakeholders in the Shared Housing Blueprint Implementation process also noted that shared-equity homes are more affordable to residents over time because they have lower property taxes and often benefit from common maintenance strategies.*

in order to make policy changes that result in increased production capacity for shared-equity ownership units. The Request for Information should request the history of units the local organizations have created, the level of subsidy required per unit, and the current status of these units. The RFI should also request an understanding of capacity-building, lending, and community education needs to scale up shared-equity housing for homeownership, rental, and limited-equity co-operatives in Austin over the next 10 years. It should also specifically ask for projections around how many mortgage-ready households at the 60%, 80%, and 120% median family income (MFI) levels could be provided with shared-equity homeownership over the next 10 years if adequate funding and resources were available.

- Devote resources to shared-equity ownership programs (see **Action III.2.A** for details), using the Request for Information to help determine how these resources should be allocated.
- When allocating public land to affordable housing projects through the proposed “priority use” process (see **Action III.5.A** for details), incorporate a preference for shared-equity ownership projects on appropriate development sites.

### **ACTION I.1.B: COMBINE COMMUNITY LAND TRUST WITH LAND DEVELOPMENT CODE CHANGES THAT ALLOW FOR A RANGE OF HOUSING TYPES.**

This action largely depends on devoting additional resources to shared-equity development, combined with Land Development Code changes that allow for multi-family development. These actions are largely covered in other portions of this Implementation Plan. However, one notable need is the creation of a separate zoning category for cooperative developments rather than including these with group homes. This change to the Land Development Code would open up opportunities for limited-equity cooperative development throughout the City. For more information on this zoning category and potential ways to promote cooperative development, see **Action IV.12.A**. These changes should be focused in High-opportunity areas<sup>4</sup>; areas of significant investment, such as the 2016 Mobility Bond Corridors; planned transit investments; and areas with high displacement risk.

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<sup>4</sup> “High-opportunity areas” are defined in the *Atlas of Existing and Historical Conditions*, which is a companion piece to this Strategic Housing Blueprint Implementation Plan. The definition of high-opportunity areas in the Atlas is based on data from Opportunity360, a national database of opportunity metrics developed by Enterprise Community Partners.

### **OBJECTIVE I.2: SUPPORT LEGISLATION FOR A FLAT DOLLAR HOMESTEAD EXEMPTION FOR ALL TAXING ENTITIES**

Current state law only allows cities to offer a **homestead exemption equaling a percentage of the appraised value of a property**, which disproportionately benefits owners of high-value homes while offering little relief to owners of low-value homes. A **flat dollar-amount homestead exemption** would offer more substantial relief to homeowners who are most in need.

#### **ACTION I.2.A: SUPPORT LEGISLATION TO ALTER HOMESTEAD EXEMPTION RULES AT THE STATE LEVEL.**

As housing values and property tax rates in Austin rise to meet state-mandated expenditures, such as increased school district contributions, the tax burden on low- and moderate-income households has correspondingly increased. This tax burden may provoke rising displacement among low- and moderate-income households.

Currently, according to state law, all Texas homeowners receive a flat \$25,000 homestead exemption on their school taxes, and then local taxing entities are able to provide an additional exemption as a percentage of appraised value. In addition, seniors of age 65+ and persons with disabilities receive a “ceiling” on their school taxes, after which these taxes do not increase unless the home is substantially renovated or altered. Stakeholders suggested opportunities to alter these laws with legislation in order to relieve the rising tax burden on low- and moderate-income Austinites, including:

- Allow local taxing jurisdictions to offer a flat homestead exemption rather than an exemption based on a percentage of property value. A flat exemption would proportionally provide added benefits to low- and moderate-income homeowners but would remain a fair and equitable system for providing exemptions.
- Allow inheritance of the school tax “ceiling” for the descendants of senior citizen homeowners, if the descendants are income-qualified at 80% MFI or below. This would help to preserve generational housing in Austin neighborhoods.

## **OBJECTIVE I.3: SUPPORT LEGISLATION OR OTHER MECHANISMS TO CREATE A PRESERVATION PROPERTY TAX ABATEMENT**

Austin needs a tool that can mitigate the pressure on its existing housing stock, which is causing rent increases and displacing low-income renters to outside the city. A Preservation Property Tax Abatement geared toward **preserving affordability** would provide a City of Austin tax abatement (regardless of the age of a property) in exchange for guaranteeing continued affordability. The City will develop a strategy to implement this tool in areas most at risk of experiencing displacement of low-income renters.

### **ACTION I.3.A: UTILIZE TEXAS' NEIGHBORHOOD EMPOWERMENT ZONE (NEZ) MODEL TO IMPLEMENT A PRESERVATION PROPERTY TAX ABATEMENT FOR RENTAL PROPERTIES. ABATEMENT WOULD BE GRANTED IN RETURN FOR ONGOING RENTAL AFFORDABILITY RESTRICTIONS IN AREAS MOST AT RISK OF EXPERIENCING DISPLACEMENT OF LOW-INCOME RENTERS.**

Texas state law provides that “a municipality may create a neighborhood empowerment zone covering a part of the municipality if the municipality determines the creation of the zone would promote: (1) the creation of affordable housing, including manufactured housing, in the zone; (2) an increase in economic development in the zone; (3) an increase in the quality of social services, education, or public safety provided to residents of the zone; or (4) the rehabilitation of affordable housing in the zone.”<sup>5</sup> Within designated NEZ areas, cities may:

- Waive or adopt fees related to the construction and inspection of buildings;

- Enter into agreements, for a period of no more than 10 years, for refunds of municipal sales tax on sales made in the zone;
- Enter into agreements abating municipal property taxes on property in the zone subject to the duration limits of Section 312.204, Tax Code (generally, agreements must have a duration of 10 years or less). The tax abatement may only be granted on the difference in value between the initial year of the agreement and future tax years (incremental value).
- Set baseline performance standards, such as the Energy Star Program as developed by the Department of Energy, to encourage the use of alternative building materials that address concerns relating to the environment or to the building costs, maintenance, or energy consumption.

The City of Fort Worth has successfully used the NEZ model to promote redevelopment through tax abatements; their experience can provide a guide for Austin’s proposed Preservation Property Tax Abatement.<sup>6</sup> Their tiered program offers benefits including waivers of municipal fees, as well as a five-year tax abatement on incremental value for rehabilitations of multifamily properties based on the following criteria:

- Capital Investment: Rehabilitation costs must equal or exceed 30% of the assessed value or \$200,000, whichever is greater.
- Affordability: Property must incorporate 20% affordable units, half of which must be affordable to households making 80% of the median family income (MFI), and half of which must be affordable to households at 60% of MFI.
- Accessibility: Property must incorporate 5% of units that comply with Americans with Disabilities Act (ADA) accessibility standards and 2% of units that are fully accessible to residents with sensory impairments.
- Tiered Ten-Year Option Based on Local Hiring: Properties that incorporate the above benefits and additionally hire local residents, locally-owned

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<sup>5</sup> Texas Local Government Code 12.A.378, <https://statutes.capitol.texas.gov/Docs/LG/htm/LG.378.htm>.

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<sup>6</sup> More information on Fort Worth’s NEZ program available here: [http://fortworthgov.granicus.com/MetaViewer.php?view\\_id=5&clip\\_id=2173&meta\\_id=259523](http://fortworthgov.granicus.com/MetaViewer.php?view_id=5&clip_id=2173&meta_id=259523)

companies, and minority- or women-owned businesses can apply to receive a ten-year (rather than five-year) abatement.

Stakeholders in Austin noted that an NEZ program that allows property tax abatements focused on maintaining affordability in existing properties should include a habitability check of any rehabilitated property to ensure it is up to standards and meets program requirements. The program will also need to include rules that ensure that community benefits and affordability are preserved if the property is sold. In order to ensure that abatements can be uniformly applied across the City within multiple appraisal districts, and to increase the value of the incremental abatement to property owners, the City will need to work with Travis, Williamson, and Hays Counties to create an agreement around implementation of the NEZ model.

NHCD provided a memo and report responsive to Resolution No. 20170928-050 recommending an initial funding allocation for a pilot NEZ program in the FY 2019-2020 budget. If Council decides to move forward, the next step would be to allocate financial resources, after which program guidelines and monitoring standards can be developed for a pilot program.

## **OBJECTIVE I.4: PREVENT DISPLACEMENT OF LOW- AND MODERATE-INCOME HOMEOWNERS**

Buying a home in Austin during a time of rising housing prices is out of reach for most low-income families, and being able to continue to afford property taxes, especially in central Austin, has become very challenging. That means it is even more critical to **prevent displacement of existing low- and moderate-income homeowners**. The City will continue to explore ways to help stabilize low-income homeowners, build on the success of **existing repair and weatherization programs**, and pursue policies to provide assistance to homeowners with financial hardships that threaten their housing.

### **ACTION I.4.A: THE CITY WILL CONTINUE TO EXPLORE WAYS TO HELP STABILIZE LOW-INCOME HOMEOWNERS.**

Low-income homeowners are at risk of being priced out of their neighborhoods as property taxes rise and redevelopment pressure increases. Innovative opportunities to reduce redevelopment pressure on currently affordable homes include the following:

- **Neighborhood Stabilization Loan Program:** This program would assist vulnerable low-income homeowners by providing long-term, low-interest loans to low-income homeowners who are paying for more than 30 percent of their income on housing. The loans could be forgivable in exchange for the homeowner agreeing to a longer-term affordability restriction, ensuring that the home would be sold to another low-income owner and remain owner-occupied. This recommendation is more extensively described in the University of Texas Study, Uprooted, on page 67, and is also included in the Anti-Displacement Task Force draft recommendations.

### **ACTION I.4.B: ASSIST 600 LOW-INCOME HOUSEHOLDS PER YEAR WITH HOME REPAIR PROGRAMS, WITH THE OBJECTIVE TO HELP PRESERVE EXISTING HOUSING STOCK.**

The Blueprint's original 10-year goal stated that the City should "assist 600 low-income households per year" with home repair programs. Currently, between City programs that are funded by General Obligation bonds and Austin Energy weatherization programs, this goal is being met. However, stakeholders expressed that there is a need for continued dedication of adequate resources to home repair programs, and for a potential re-evaluation of whether programs are currently meeting residents' needs.

There are a variety of home repair programs available in Austin, including the following programs that exist as of 2018:

- **Architectural Barrier Removal (ABR) Program:** This program provides up to \$15,000 in home improvements. Seniors and persons with disabilities who make less than 80% of MFI, and who have difficulty entering, leaving, or moving about their homes, are eligible to receive adaptive home repairs such as wheelchair ramps, handrails, grab bars, and door widening.
- **Emergency Home Repair Program:** Funded through the Austin Housing Finance Corporation and administered by Austin Area Urban League, this program provides repairs for low-income homeowners who are facing a life-threatening condition, or a health and safety hazard.
- **Homeowner Rehabilitation Loan Program (HRLP):** This loan program allows recipients to make larger repairs needed to bring their homes up to code and make their homes safe, livable, and healthy. Services include repairs to foundation, roof, plumbing, HVAC, electrical; major interior and exterior repairs; complete rehabilitation of home, or reconstruction if needed. Loan terms are: loan amount between \$15,000 and \$75,000; these loans are fully forgivable with terms up to 10 years, meaning that owners who continue living in their home make no payments. However, homeowners must repay the loan on a pro rata basis if they sell their home prior to the loan payoff date. City staff note that many homeowners applying for this

program have needs beyond the \$75,000 upper limit on loan value.

- **G.O. Repair!:** The program provides up to \$15,000 of assistance per home, per year to address substandard housing conditions of low- and moderate-income homeowners within the city limits. Applicants must not exceed 80% MFI, own the property as their principal place of residence.
- **Austin Energy Weatherization Programs:** The City works through the Austin Home Repair Coalition to ensure that homeowners who enter Austin Energy's weatherization programs and are eligible for City assistance receive a referral, and vice versa. Austin Energy offers weatherization and energy-efficiency repairs to residents earning up to 200% of the federal poverty line, or approximately 30% MFI.
- **Private Lateral Program:** Homeowners who have received a notification from Austin Water that they have a defect in their wastewater private lateral line can receive assistance for repairs.

In order to ensure that these programs are meeting residents' needs and that funding is distributed correctly across programs, the City should work with the Austin Home Repair Coalition before the adoption of the next Consolidated Plan in 2020 to monitor needs of their clients and craft a plan that responds to households' needs. The Consolidated Plan and associated Action Plans and NOFAs will indicate what types of repairs are eligible and will set a total cost cap per household for repairs that may vary each year.

### **ACTION I.4.C: BUILD ON THE SUCCESS OF EXISTING REPAIR AND WEATHERIZATION PROGRAMS.**

Existing home repair programs in Austin as of 2018 are described in **Action I.4.B** and include the Architectural Barrier Removal Program, the Emergency Home Repair Program, the Private Lateral Program, and the Homeowner Rehabilitation Loan Program.

Energy efficiency and weatherization can also be important tools in reducing housing costs for homeowners and renters. For small properties, Austin Energy offers a no-cost Weatherization Assistance program that serves households earning 200% or less of the federal poverty guidelines and with home values of \$250,000 or less. Properties with 4 units or fewer are eligible; owner-occupants may apply, and renters

may apply with the permission of their landlords. For larger multifamily properties, Austin Energy offers rebates on a variety of energy-efficiency measures, including ceiling insulation, cool roofs, efficient HVAC upgrades, efficient water heaters, efficient lighting fixtures, and more.

Many of the recommendations in **Action I.4.B** may be helpful in growing the success of home repair programs. Some opportunities to work with Austin Energy to ensure that weatherization programs remain successful may include:

- Weatherization Assistance Program: Austin Energy already refers homeowners who are eligible for their Weatherization Assistance Program, but need more intensive home repairs, to the City's home repair programs. The City should ensure that participants in its home repair programs are also aware of Austin Energy's weatherization program in return. In addition, the City should work with Austin Energy to monitor the number of households across the City earning 200% or less of federal poverty guidelines and home values in the neighborhoods where they live. As home values rise, this may be useful information to determine whether the \$250,000 maximum value for homes that can receive services remains appropriate.
- Multifamily Rebates: There may be opportunities to work with Austin Energy to ensure that multifamily property owners are aware of these rebates. Uptake may be especially appropriate and/or required for properties that receive other preservation-oriented subsidies, such as the potential Preservation Property Tax Exemptions described in **Action I.3.A**, or properties acquired through the Strike Fund as described in **Objective II.1**.

#### **ACTION I.4.D: PURSUE POLICIES TO PROVIDE ASSISTANCE TO HOMEOWNERS WITH FINANCIAL HARDSHIPS THAT THREATEN THEIR HOUSING**

According to Uprooted: Residential Displacement in Austin's Gentrifying Neighborhoods and What Can Be Done About It, published in September 2018 by the University of Texas:<sup>7</sup>

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<sup>7</sup> <https://sites.utexas.edu/gentrificationproject/>

*Homeowners who fall behind on their property taxes in Austin are concentrated most heavily in Austin's gentrifying zip codes. Of the 956 homeowners in Austin with a homestead exemption and two or more years of delinquent taxes, the heaviest concentration is in Central East Austin and the neighborhoods just south of Ben White on the westside of IH-35... Thirty percent of the homeowners with property tax delinquencies have a senior exemption on their homestead, while the other 70 percent have a homestead exemption but not a senior exemption.*

The University of Texas report suggests a combination of solutions, including:

- Establishing a Homestead Preservation Center where homeowners in financial distress could learn about the tools and financial options available to them, or funding a non-profit to provide these services. Needed services would include conducting outreach and enrolling residents in appropriate programs.
- Adopting a Neighborhood Stabilization Loan Program to providing long-term, forgivable loans in gentrifying areas to households that need ongoing support to meet their property tax bills. Stakeholders suggested that in addition to City funding, there might be opportunities for this type of program to include a non-profit arm that could accept donations to support homeowner stabilization.
- Adopting the Senior Volunteer Tax Break and creating a program to support senior volunteer time. Under Texas tax law, seniors (65+) may receive a credit of \$7.25 for every volunteer hour worked toward their property taxes within a qualifying local program established by a taxing jurisdiction.<sup>8</sup>

Stakeholders in the Strategic Housing Blueprint Implementation focus groups also suggested additional options, such as tailored tax abatements, to help alleviate residents' tax burdens. However, abatement options have drawbacks for a variety of reasons, according to the University of Texas study:

- The City could increase local City of Austin senior citizen homestead exemptions from the current

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<sup>8</sup> Texas Tax Code 31-035, <https://codes.findlaw.com/tx/tax-code/tax-sect-31-035.html>.

value of \$85,500 to values more on par with other Texas cities (e.g. Houston at \$160,000; Dallas at \$90,000). However, this proposal has one major disadvantage-- the exemption would apply to seniors of all income levels because the City is unable to adopt an income requirement under state law, and would therefore be likely to increase tax burdens on young residents, families, and multifamily rental properties (which would be passed along to renters).

- The City could also freeze City property taxes for seniors, but this has the same disadvantages as the increased senior homestead exemption.
- The City could adopt a tax abatement program for low-income single-family homeowners using the Neighborhood Empowerment Zone mechanism described in **Action I.3.A**; however, this abatement could only address taxes on the increase in property value each year, meaning that the program might cost more to administer than the benefits it provides to residents. The abatement would also have to expire after 10 years, per state law, so it would not provide a permanent solution for homeowners.

## **OBJECTIVE I.5: PRESERVE AND CREATE OWNERSHIP OPTIONS FOR HOUSEHOLDS AT 80-120% MFI**

In response to City Council direction to provide recommendations on strategies to create **more homeownership options for households earning from 80% to 120% MFI**, staff and stakeholders developed a list of potential strategies to support households in this income range, including exploring the potential for funding sources for this income category, potentially having **higher income limits in future General Obligation Bond elections, incorporating Land Development Code changes**, and expanding the City's S.M.A.R.T. Housing Program for higher incomes, among others. (Assuming 0% down, an interest rate of 3.62%, and an annual effective property tax rate of 2.5%, an affordable home purchase price at 80% MFI for a 4 person household would be approximately \$225,000 and at 120% MFI would be \$348,000. These estimates could change based on the underlying assumptions and interest rates).

### **ACTION I.5.A: EXPLORE HIGHER INCOME LIMITS IN FUTURE GENERAL OBLIGATION BOND ELECTIONS.**

Stakeholders in the SHBI focus groups thought that housing incentives for 80- 120% MFI households should receive primary support from regulatory programs such as the City's density bonus programs, rather than from bonds or other financial resources. However, as housing prices continue to increase in the City of Austin compared to the metro area, stakeholders agreed that NHCD should continue to monitor the situation by conducting an annual evaluation of median home prices and rental costs in the City against MFI income levels.

### **ACTION I.5.B: : INCORPORATE LAND DEVELOPMENT CODE CHANGES THAT ENCOURAGE MID-DENSITY RESIDENTIAL DEVELOPMENT.**

Households at 80-120% MFI would benefit from having access to a wider range of mid-density housing choices consisting of three to six total units. These mid-density residential choices offer housing units that match a neighborhood context, while allowing for denser infill and creating more overall housing units than

single-family housing. In areas with high land prices, mid-density residential offers lower costs by dividing the cost of land across multiple units. The City should work to adopt Land Development Code changes that assist in achieving the numerical development goals established for each Council district in **Objective IV.1**. These changes should add new capacity to develop at least 20,000 more mid-density residential units than would be allowed under the current Land Development Code.

### **ACTION I.5.C: EXPAND THE CITY'S S.M.A.R.T. HOUSING PROGRAM FOR HIGHER INCOMES.**

Separate recommendations on improving developer participation in the S.M.A.R.T. Housing Program are included in **Actions IV.3.A, IV.6.A, and IV.7.A**. Expanding the S.M.A.R.T. Housing program to incentivize units for moderate-income households at 80- 120% MFI could be an opportunity to expand production. However, these higher-income units might receive a lower level of incentive than more deeply affordable units in order to ensure that market rate developers still see an advantage to meeting the needs of lower-income residents. For example, developments incorporating only 80- 120% MFI units might receive rapid permitting but not capital recovery fee waivers, or another tiered system.

Stakeholders felt that the first priority for NHCD and City stakeholders should be ensuring that the S.M.A.R.T. Housing program is working as designed and authorized as described in **Actions IV.3.A, IV.6.A, and IV.7.A**; once issues with the program's core functions have been corrected, NHCD can consider and provide recommendations on how to expand the program for 80- 120% MFI households.



*Mid-density residential can take a variety of forms, including townhomes, three or four plexes, or small multifamily developments (image source: City of Austin).*

## **OBJECTIVE I.6: COORDINATE PRESERVATION STRATEGIES WITH INFRASTRUCTURE INVESTMENTS**

Proactive preservation strategies can be particularly helpful if undertaken early and in coordination with infrastructure improvements. These activities can often lead to increases in property values and rents; therefore, working with building owners early in the process to help **preserve the affordability of properties** will help stabilize neighborhoods and allow existing tenants to remain in their communities.

### **ACTION I.6.A: WORK WITH BUILDING OWNERS EARLY IN THE PROCESS TO HELP PRESERVE AFFORDABILITY OF PROPERTIES.**

The City and its public-sector partners have already planned and begun preliminary engineering for a number of major infrastructure improvements, including roadway improvements through the City's 2016 Mobility Bond and transit investments laid out in Capital Metro's Connections 2025 plan. Working with owners of existing housing near all major City infrastructure investments to provide incentives for affordability preservation will help maintain existing market-rate affordable housing, so that it is not demolished for new housing or does not experience significant changes in price. The University of Texas Corridor Housing Preservation Tool can help to pinpoint areas where currently affordable properties are at risk; the Strategic Housing Blueprint Implementation consultant team has used this tool for the 2016 Mobility Bond Corridors to establish numeric goals for production and preservation of affordable units within ½ mile of these corridors (see **Action I.8.A**).

Preserving affordable units generally works best in areas that have rising but not maximum development pressure, and a strong presence of existing market rate and subsidized affordable properties. The Corridor Analysis included in the *Atlas of Existing and Historical Conditions* assesses the development pressure and the number of vulnerable affordable units along 2016 Mobility Bond Corridors, using the University of Texas Corridor Housing Preservation Tool. The Strategic Housing Blueprint Implementation team

has recommended production and preservation goals within ¼ mile of these corridors based on the results of the Corridor Analysis (see **Action 1.8.A** for additional details). This analytical technique can be replicated in the future for other corridors and sites of major public investment using the Corridor Manual, which is provided as an appendix to this Implementation Plan.

Tools for affordability preservation in areas near infrastructure projects include:

- Affordable Central Texas “Affordable Housing Conservancy” Fund: The Affordable Housing Conservancy fund is operated by Affordable Central Texas, a non-profit that is not affiliated with the City. Currently, this fund is focused on acquiring and preserving market rate multifamily rental properties where rents are currently affordable to families at 60-120% MFI. For more information and next steps, see **Objective II.1**.
- Preservation Property Tax Abatement: The City can grant property owners who agree to maintain affordability a tax abatement on the incremental value increase of their property for up to 10 years. This abatement will likely be most valuable once the infrastructure improvements are completed, because that is when property values will increase most rapidly. Therefore, timing these agreements appropriately will be essential; there may be opportunities to begin the 10-year abatement period when the infrastructure investment is officially completed or placed in service. For more information and next steps, see **Action I.3.A**.
- Tax Increment Financing (TIF): Creating Tax Increment Reinvestment Zones, or tax increment financing (TIF) districts, around major infrastructure investments allows the City to capture the increased property value generated by these investments and redirect it for affordable housing. TIF funds may be used for Funding could also be utilized for other preservation efforts such as home repair, forgivable loans to owners of substandard properties to improve their condition if they keep the property affordable, or other preservation options based on local conditions and needs. For more information and next steps, see **Action III.6.A**.

## **OBJECTIVE I.7: USE INCENTIVES TO SUPPORT THE PRODUCTION OF LIVING WAGE JOBS**

Incentives should be focused on **improving the economic conditions of current lower income unemployed or underemployed residents** to spur opportunities that enable them to better afford to live in Austin. Increasing the number of “living wage” jobs (jobs that pay a high enough wage for a person to meet the basic living expenses for an area) would enable residents who currently work in minimum wage jobs to earn enough to meet the cost of living in Austin. The living wage for City of Austin employees was \$15.00 per hour as of October 2018. **Greater coordination** with relevant city departments should be pursued to identify potential incentives for the creation of more living wage jobs.

### **ACTION I.7.A: FOCUS INCENTIVES ON IMPROVING THE ECONOMIC CONDITIONS OF LOWER INCOME UNEMPLOYED OR UNDEREMPLOYED RESIDENTS.**

The City of Austin’s Economic Development Department (EDD) recently completed a review of their incentives policy and have produced a set of recommendations for revising the City’s incentives policy for future economic development. The new proposed Economic Development policy recommends that incentive programs focus on:

- Creating living or prevailing wage jobs, with equitable benefits;
- Addressing lack of job opportunities for the traditionally hard-to-employ;
- Incentivizing the creation of middle-skill jobs for existing residents;
- Supporting small, local, creative, cultural and heritage businesses that suffer from lack of access to affordable space and financial stability;
- Identifying and responding to specific issues (beyond those outlined above), such as:
- Increased access to goods and services in communities that are traditionally underinvested,

including, but not limited to healthy food options in east Austin;

- Development of vibrant, mixed-use commercial corridors;
- Leverage of public investments to improve positive health outcomes for low-income Austinites

These objectives are entirely consistent with the approach to incentives outlined in the Strategic Housing Blueprint. EDD has provided detailed Economic Development Guiding Principles, a Chapter 380 Policy Framework with which the City can create niche programs to achieve priority goals and the Business Expansion Program Portfolio Guidelines as the first program to be rolled out. The second priority program for rollout will be a Locational Enhancement Program that will seek to address place-based challenges with incentive tools. The Chapter 380 Policy requirements include all construction work must comply with the City's living or prevailing wage guidelines. The Business Expansion Program Guidelines focus on supporting local businesses that provide jobs, community benefits and pay at least or above industry average wages (as defined by the Bureau of Labor Statistics and Occupational Wage data) for full-time employees. A sub-category of the Business Expansion Program includes incentivizing businesses that focus on the hiring, retention and career growth of hard-to-employ individuals or those with economic or socio-economic barriers. In addition, incentives are available for relocations of businesses into Austin; these require businesses to provide direct community benefits and meet program criteria/requirements. The programs also offer additional bonus points and/or additional incentive allocations to those businesses who offer affordability and transportation-related solutions, such as a housing stipend for their employees to help meet cost of living pressures and encouraging alternative modes of transportation and flexible work hours, among many other community-supportive bonuses.

NHCD should coordinate and support EDD to the extent needed to implement the new proposed Economic Development Policy and its associated programs once it is formally adopted and implemented.

### **ACTION I.7.B: INCREASE COORDINATION BETWEEN RELEVANT CITY DEPARTMENTS TO IDENTIFY POTENTIAL INCENTIVES FOR THE CREATION OF MORE LIVING WAGE JOBS.**

The Economic Development Policy has identified incentives for the creation of more living wage jobs through an extensive stakeholder engagement process in 2017 and has produced a set of recommendations to update the incentives policy with a focus on creating those jobs. For more information, see **Action I.7.A.**

In the future, EDD plans to coordinate with Purchasing and other agencies to further the development of minority- and women-owned business participation and small businesses in the City of Austin, including provision of direct business coaching and enhanced public-sector contracting opportunities.



*The Mueller development represents a recent robust investment in new mixed-income housing in recent years (image source: City of Austin).*

## OBJECTIVE I.8: MAKE STRATEGIC INVESTMENTS TO MINIMIZE DISPLACEMENT

Displacement is happening throughout Austin. Low-income communities are at high risk of displacement.

**Austin should make robust investments to anchor and strengthen these communities, including investments in new development and affordable housing preservation, as well as coordinating targeted investments in economic development, transit, and education.** Additionally, tracking which income-restricted units are set to expire in a given year can help the City identify opportunities to preserve its affordable housing stock. Targeting those affordable units that will be lost through attrition with strategies like the Strike Fund, Community Land Trust, and others in this Blueprint can help extend the affordability periods of these units.

### **ACTION I.8.A: MAKE ROBUST INVESTMENTS IN NEW DEVELOPMENT AND AFFORDABLE HOUSING PRESERVATION, AS WELL AS COORDINATING TARGETED INVESTMENTS IN ECONOMIC DEVELOPMENT, TRANSIT, AND EDUCATION.**

The *Atlas of Existing and Historical Conditions* and *Corridor Analysis* that accompany this implementation plan provide strategies for making smart, geographically targeted investments near 2016 Mobility Bond Corridors, throughout the City's council districts, and within areas of high opportunity and high displacement risk.

Other actions in this implementation plan provide specific tactics for directing investment in the creation and preservation of housing, and to projects that consider access to jobs, transit, and quality education. Some of the immediate opportunities to begin or to continue coordination include:

- Coordinating housing and transit providers through the Housing-Transit-Jobs Action Team on an ongoing basis
- Considering additional use of the Corridor Housing Preservation Tool to examine potential displacement and preservation opportunities near

proposed new transit corridors in the Connections 2025 plan

- Completing and adopting recommendations of the Anti-Displacement Task Force
- Continuing to target investment in the preservation and creation of affordable housing within the Imagine Austin centers and corridors, mobility corridors, and transit corridors and encouraging maximum production of units through appropriately calibrated density bonuses in those areas. For more information, see **Objective IV.2.**

The analysis on the following pages uses the University of Texas' Corridor Housing Preservation Tool to examine key corridors for affordability preservation. The Corridor Housing Preservation Tool was created with rapidly developing or gentrifying metropolitan areas in mind, where affordable housing needs to be carefully considered in planning processes. The tool is intended to help incorporate affordable housing in community development, housing, and transportation planning efforts. Per Austin City Council Resolution 20170413-025, this tool was used to analyze housing pressures near the 2016 Mobility Bond Construction Eligible Corridors and Preliminary Engineering and Design Corridors/Critical Arterials and set affordable housing goals for the corridors.

The tool addresses three key questions:

- 1) How much transit access to jobs does a corridor provide to low income residents?
- 2) How many affordable rental units are vulnerable to redevelopment?
- 3) How intense is the development pressure?

Each of these questions can be answered for any defined geographic area larger than a census block group using indicators that are defined in the tool methodology. These indicators are described in brief below:

### INDICATOR 1: TRANSIT ACCESS TO LOW/MEDIUM WAGE JOBS

This indicator measures the quality of life benefits for low-income renters generated by living in a particular urban corridor. Access to jobs is of prime importance to working-age residents. This indicator focuses on accessibility from a corridor to low and medium wage jobs within a 45-minute transit trip.

Data on job accessibility via transit was obtained from the U.S. Environmental Protection Agency’s Smart Location Database. This data has been incorporated into the shapefile. It’s important to keep monitoring this dataset to update it when new information is available.

The tool calculates the average block group job accessibility for each corridor, weighted by the share of low/medium wage jobs in the corridor’s transit shed:

$$\left( \frac{\text{Low and medium wage jobs in corridor transit shed}}{\text{Total jobs in corridor transit shed}} \right) * \left( \text{Average accessible jobs within a 45 minute transit trip} \right)$$

### INDICATOR 2: AFFORDABLE HOUSING VULNERABILITY

Rental units that are not protected by subsidies or legal income restrictions may be vulnerable to demolition, redevelopment, or marketing to higher income groups. This indicator helps in calculating the density of affordable housing units along a transit corridor that may be vulnerable to such pressures.

To calculate Indicator 2, the tool measures the number of rental units vulnerable to redevelopment per acre in each corridor. This is equal to the total

estimated number of affordable rental housing units without legal income restrictions or other means of preservation in each corridor. The result is divided by the number of acres in the corridor and then reclassified to a 1-10 scale.

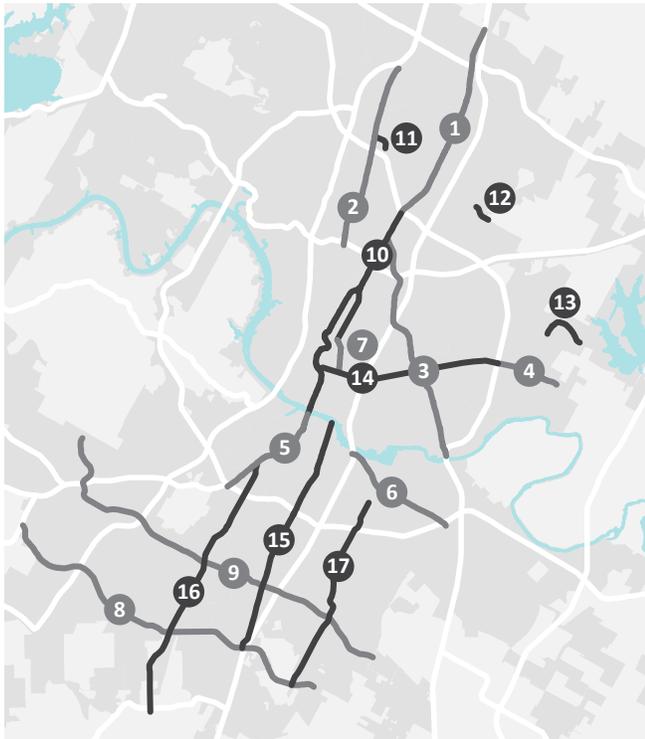
$$\frac{\text{Total estimated affordable rental units} - \text{Affordable units with protected subsidies}}{\text{Corridor buildable area}}$$

### INDICATOR 3: DEVELOPMENT PRESSURE

To evaluate the development pressure for each corridor, the tool multiplies the percentage of multifamily land area predicted to redevelop in the next five years by the current value of redevelopment activity, and then divides this value by the area of the corridor to account for differences in size.

### RESULTS OF CORRIDOR ANALYSIS

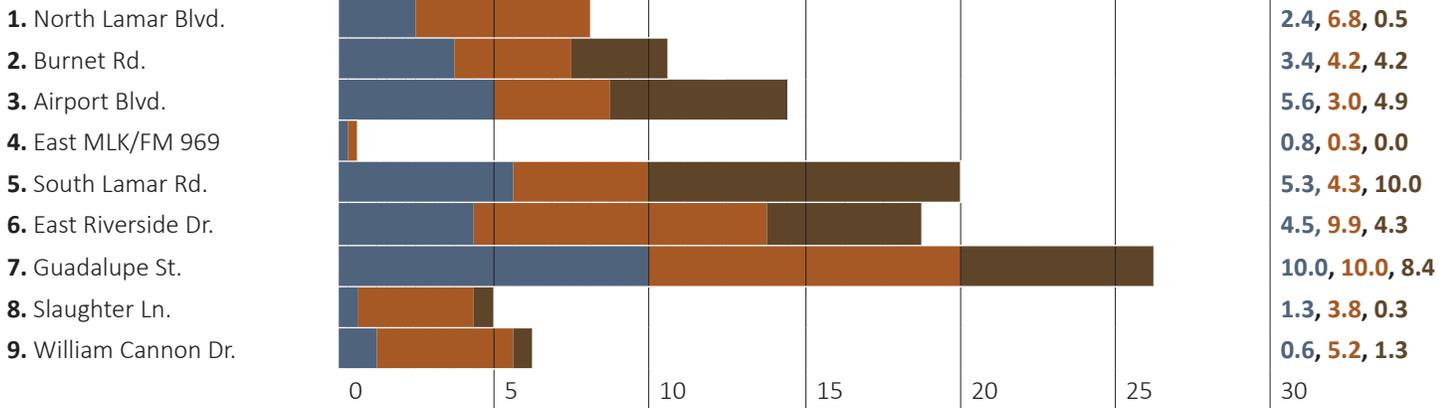
The three above indicators were measured for each of the 2016 Mobility Bond Construction Eligible Corridors and Preliminary Engineering and Design Corridors/Critical Arterials. The results are summarized on the following page. More detail and maps on the Construction Eligible Corridors and Preliminary Engineering and Design Corridors/Critical Arterials results are available in the rest of this Corridor Analysis section.



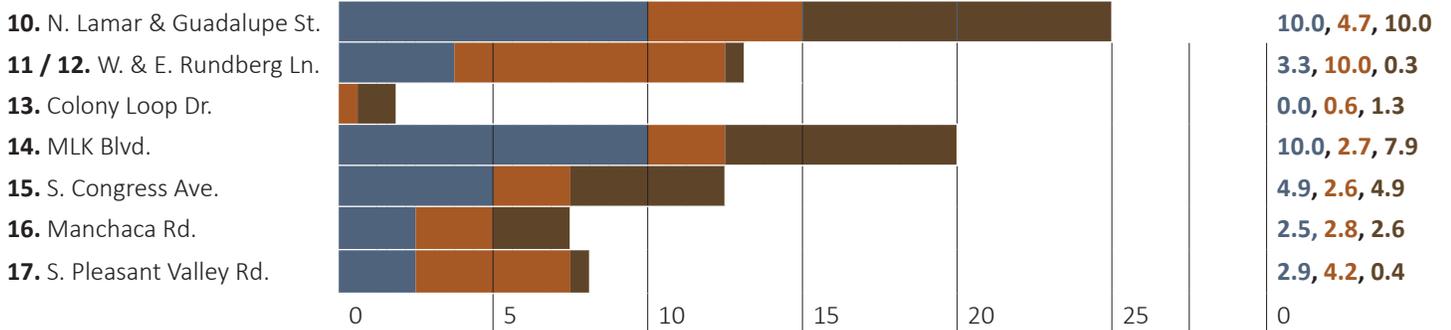
Left: Map of 2016 Mobility Bond Construction Eligible Corridors and Preliminary Engineering and Design Corridors/Critical Arterials.

Below: Summary of the three Corridor Housing Preservation indices for each corridor.

**Construction Eligible Corridors**



**Preliminary Engineering and Design Corridors/Critical Arterials**

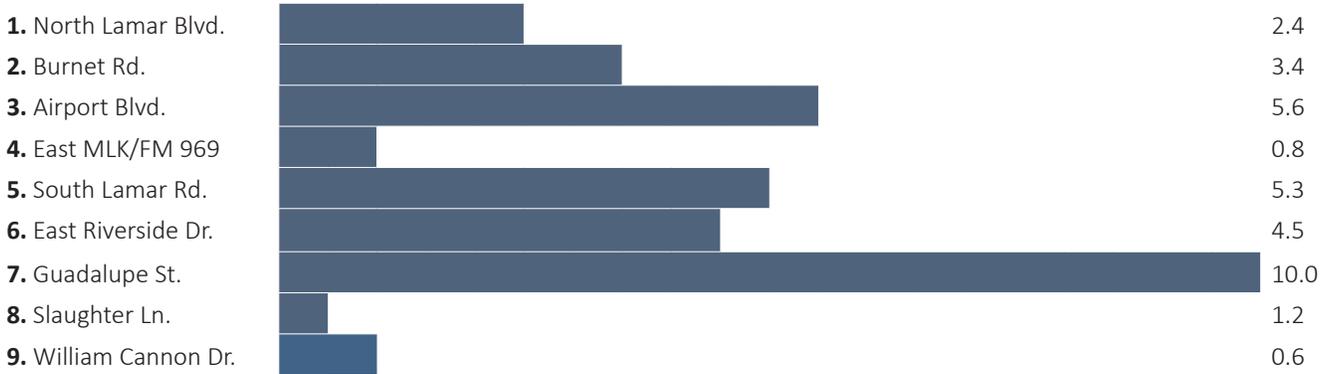


Transit Access to Low Wage Employment
  Affordable Housing Vulnerability
  Development Pressure

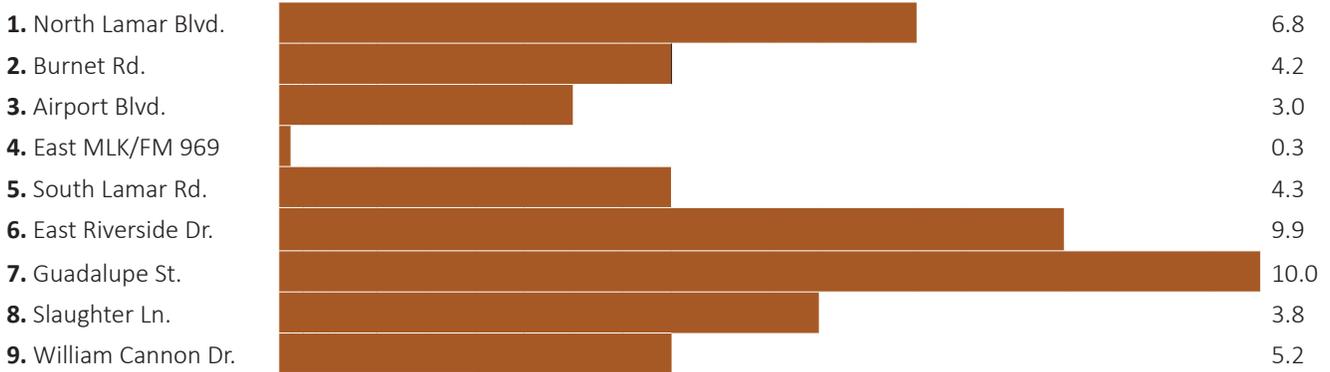
# CONSTRUCTION ELIGIBLE CORRIDORS

The Corridor Housing Preservation Tool results for the 2016 Mobility Bond Construction Eligible Corridors are shown below and mapped on the facing page. These corridors are likely to experience market change upon completion of the Mobility Bond investments and are therefore priority areas for affordable housing preservation and production. The Corridor Housing Preservation Tool indices have been used to craft numerical goals for housing preservation and production along each corridor; the goals are incorporated in Action I.8.A of the Strategic Housing Blueprint Implementation Plan.

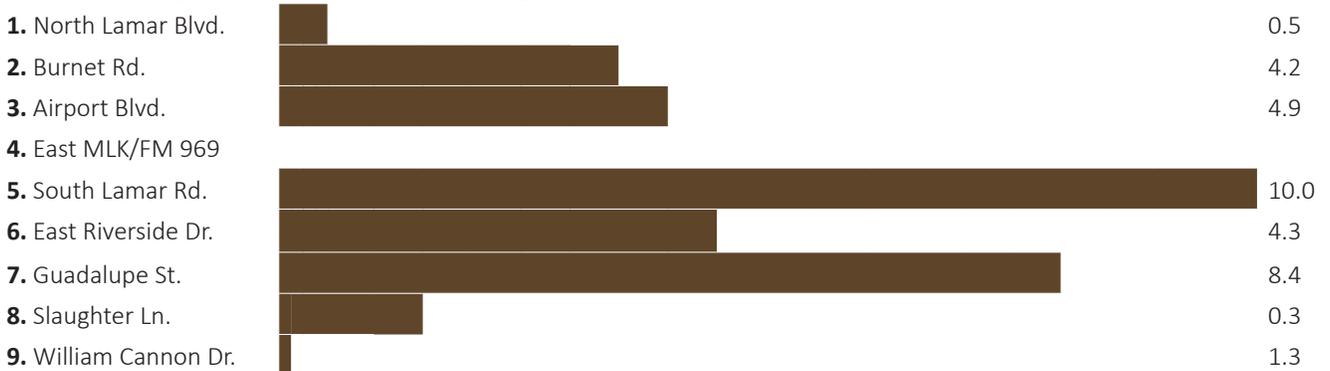
## Corridor Study Areas Indicator 1: Transit Access to Low Wage Jobs



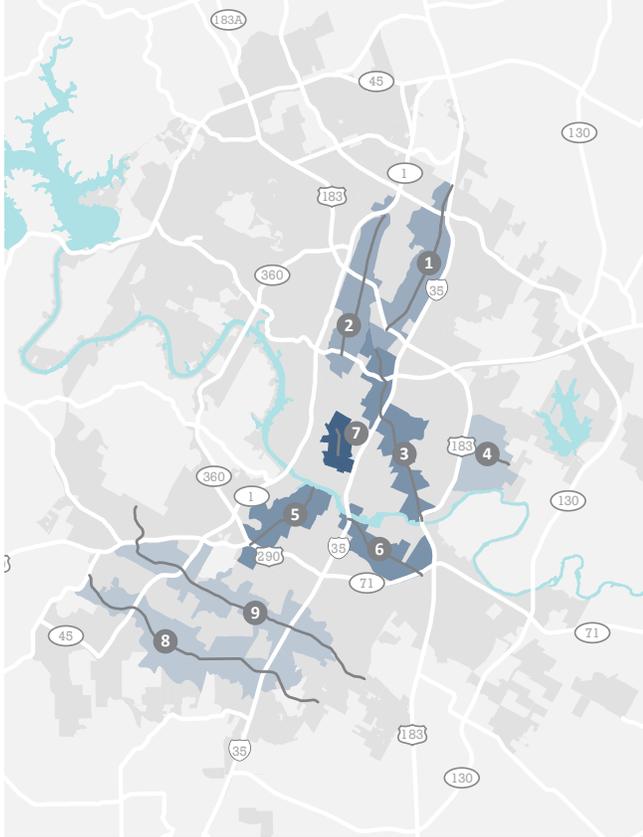
## Corridor Study Areas Indicator 2: Affordable Housing Vulnerability



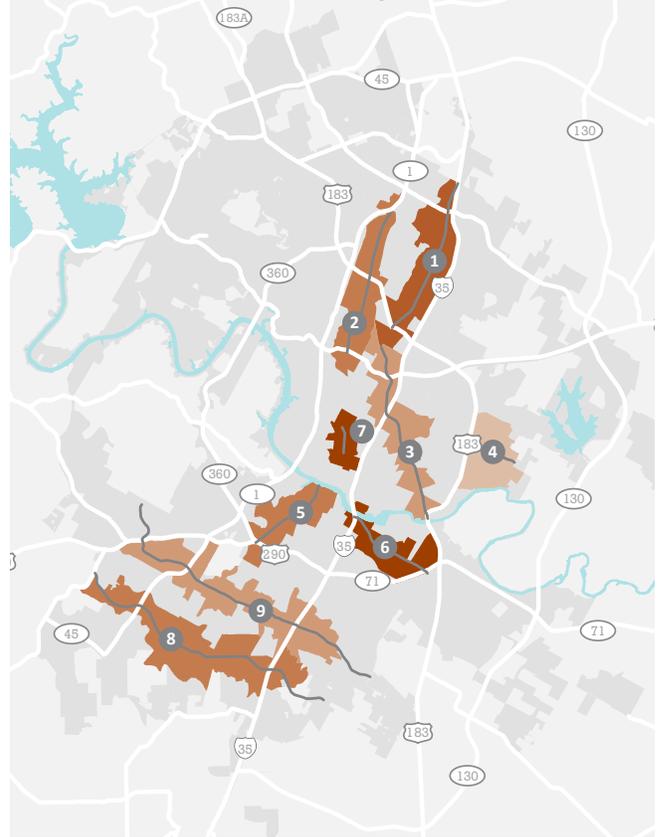
## Corridor Study Areas Indicator 3: Development Pressure



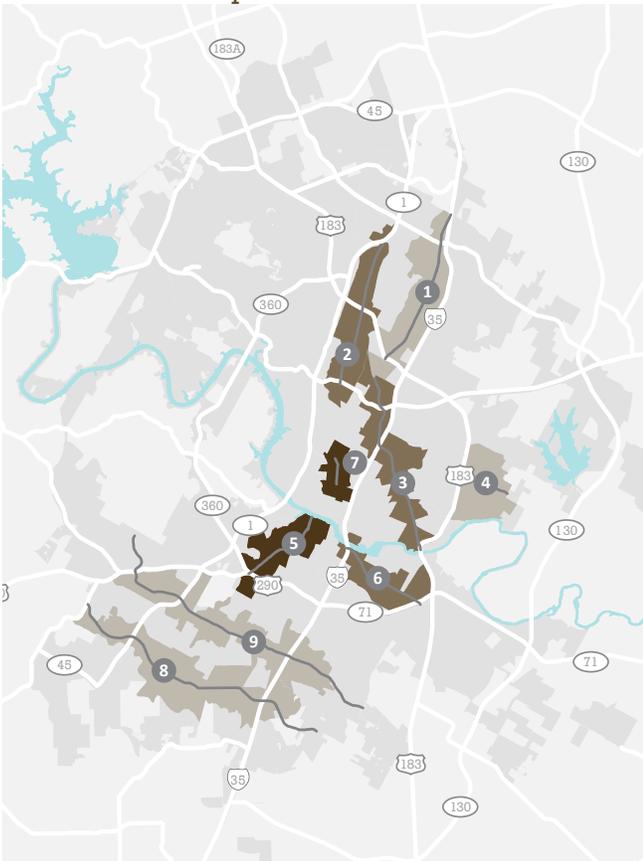
**Indicator 1: Transit Access to Low Wage Jobs**



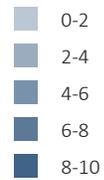
**Indicator 2: Affordable Housing Vulnerability**



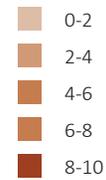
**Indicator 3: Development Pressure**



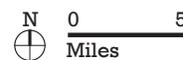
**Indicator 1**



**Indicator 2**



**Indicator 3**



# PRELIMINARY ENGINEERING AND DESIGN CORRIDORS

The Corridor Housing Preservation Tool results for the 2016 Mobility Bond corridors on which the City of Austin is conducting preliminary engineering and design are shown below and mapped on the facing page. Construction on these corridors is not funded through the 2016 Mobility Bond, but may be implemented as future funding sources become available. Housing production and preservation goals for these corridors are incorporated in Action I.8.A of the Strategic Housing Blueprint Implementation Plan.

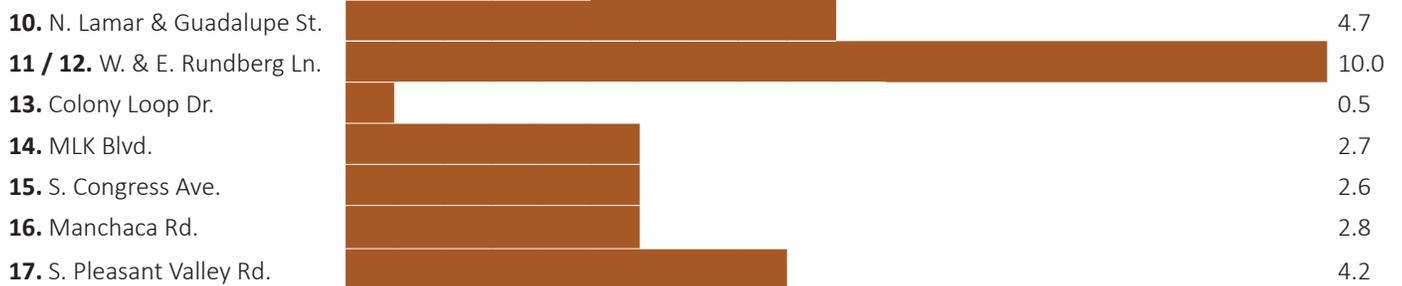
## Corridor Study Areas

### Indicator 1: Transit Access to Low Wage Jobs



## Corridor Study Areas

### Indicator 2: Affordable Housing Vulnerability

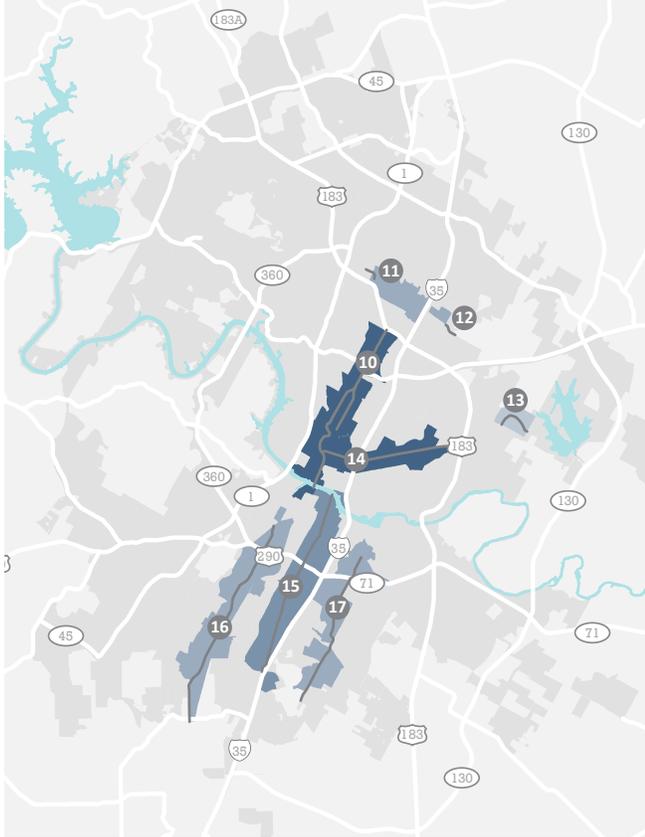


## Corridor Study Areas

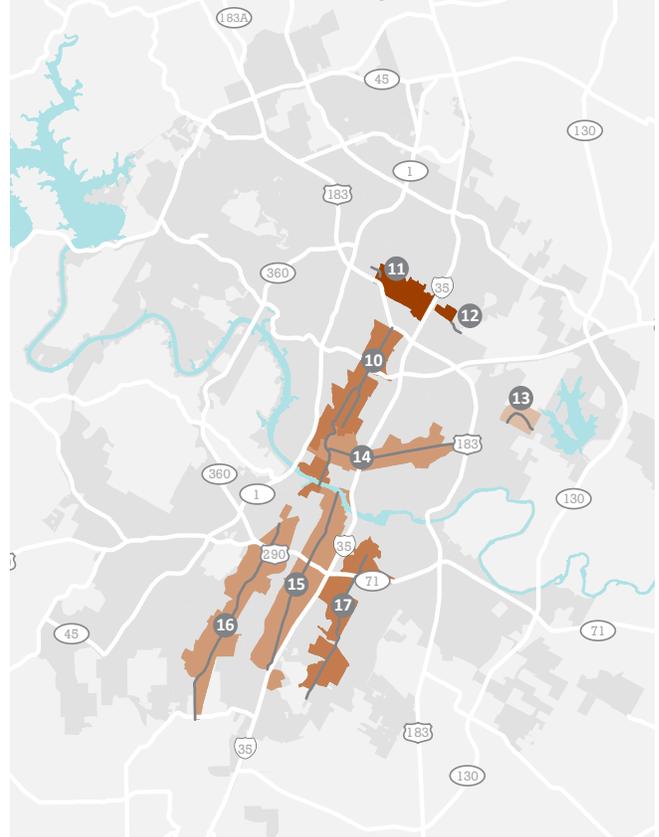
### Indicator 3: Development Pressure



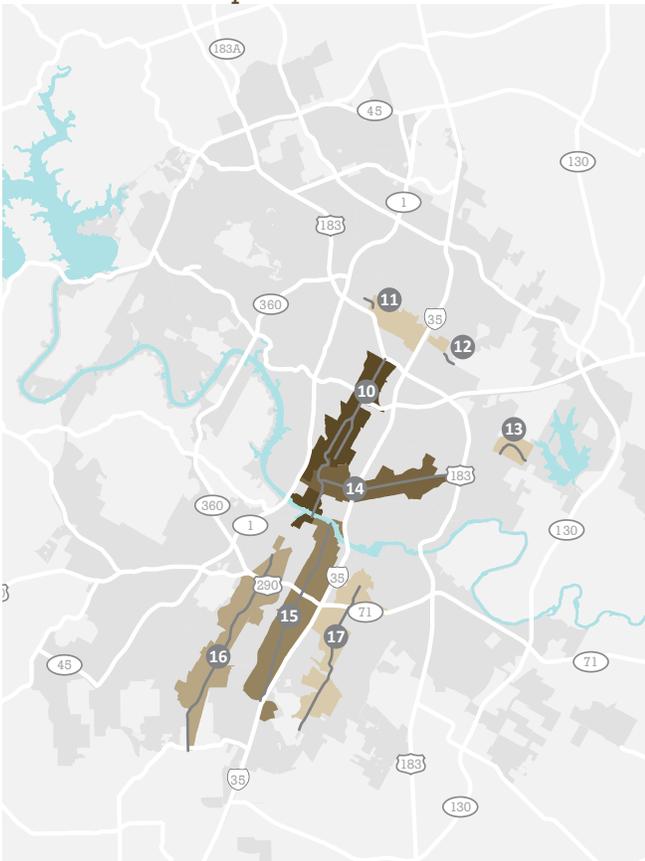
**Indicator 1: Transit Access to Low Wage Jobs**



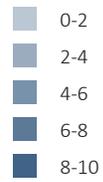
**Indicator 2: Affordable Housing Vulnerability**



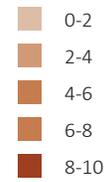
**Indicator 3: Development Pressure**



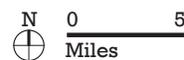
**Indicator 1**



**Indicator 2**



**Indicator 3**



**ACTION I.8.B: TRACK WHICH INCOME-RESTRICTED UNITS ARE SET TO EXPIRE IN A GIVEN YEAR, AND TARGET THESE UNITS WITH STRATEGIES LIKE THE STRIKE FUND, COMMUNITY LAND TRUST, AND OTHERS TO HELP EXTEND THE AFFORDABILITY PERIODS.**

**Monitoring the upcoming expiration of income restrictions on affordable units** will allow the City to employ shared-equity models, including **community land trusts**, and to **coordinate with the Affordable Housing Conservancy** and other tools to extend affordability. Income-restricted units in the City of Austin include units directly subsidized by the City, as well as units that may have received subsidies from other sources.

- City-subsidized units: NHCD has completed a list of City-subsidized units and shared this information with the public on the City’s website at the [Affordable Housing Listing](#) page. NHCD should continue to provide a regularly updated list of these properties to the public and actively track their expiration dates in order to intervene early with the Strike Fund or another funding source to extend affordability periods
- Subsidized units without City funding: Tracking units that the City did not subsidize may include:
  - » Low-Income Housing Tax Credit (LIHTC) units: LIHTC is a funding source provided through the state housing finance agency, Texas Department of Housing and Community Affairs (TDHCA). Developments can receive either a non-competitive 4% tax credit allocation or a competitive 9% tax credit allocation. While some LIHTC developments may also have received City subsidies, others may not. NHCD is currently using the National Housing Preservation Database and lists published by TDHCA to track expiring units that have received funding through this program.
  - » Resolution Trust Corporation (RTC) units: The RTC was formed to assist distressed savings-and-loan banks during the savings-and-loan crisis in the late 1980s and early 1990s. One of the RTC’s programs was an Affordable Housing Disposition Program with a component dedicated to disposing of multifamily properties.

The requirements of the multifamily disposition program were as follows: “Multifamily purchasers agree to set aside at least 35 percent of the units for very low- and lower-income families for the useful life of the property, which has been defined to be the later of 40 years from the date of the LURA or 50 years from the date the property was occupied as multifamily housing. The LURA binds the purchaser and all subsequent owners of the multifamily property for the full term of the agreement, and its conditions remain in effect over the useful life of the property.”<sup>9</sup> Because the minimum term of these agreements was 40 years, and many of the properties were sold in the early 1990s, most of them will have approximately 15 years remaining in their affordability periods as of 2018. NHCD has a list of properties in this program within the City of Austin, but currently does not have data on how many units are within each of these properties or which units are currently complying with affordability restrictions.

- » HUD Multifamily Supportive Housing Units: Some of HUD’s Multifamily programs create supportive housing for very-low-income elderly residents and very-low-income persons with disabilities. The City can track the existence and affordability periods of these supportive housing developments using HUD-provided data.

The next steps for the City to ensure that all affordable units in the City are adequately tracked and preserved include:

- Contact Resolution Trust Corporation monitoring group, Monitoring Data Services, Inc. ([www.theaffordablehousinggroup.com](http://www.theaffordablehousinggroup.com)) to determine the number and characteristics of income-restricted units in these properties.
- Maintain a comprehensive inventory of all properties in the City of Austin containing income-restricted units that includes location, ownership

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*9 U.S. Government Accountability Office, 1994, “Resolution Trust Corporation: Affordable Housing Disposition Program Achieving Mixed Results,” <https://www.gpo.gov/fdsys/pkg/GAOREPORTS-GGD-94-202/html/GAOREPORTS-GGD-94-202.htm>.*

information, number of affordable units at different MFI levels, bedroom counts within affordable units, and beginning and end of affordability restriction period.

- Provide information on income-restricted units slated to expire in the next four years to Affordable Central Texas, shared-equity ownership organizations, other affordable housing providers, and other potential partners dedicated to preserving affordability.
- Ensure owners who propose to reinvest in their properties within potential Neighborhood Empowerment Zones are aware of any Preservation Property Tax Abatement opportunity.
- Consider dedicating TIF dollars to preservation of expiring affordable units through acquisition or incentives to owners.

## **OBJECTIVE I.9: ALLOW HOMEOWNERS TO RENT A PORTION OF THEIR HOUSE AS A SEPARATE HOUSING UNIT**

Pursue code changes to allow homeowners to **convert existing interior residential space into accessory dwelling units** they could rent out to help them afford to stay in place.

### **ACTION I.9.A: PURSUE CODE CHANGES TO ALLOW HOMEOWNERS TO CONVERT EXISTING INTERIOR RESIDENTIAL SPACE INTO ACCESSORY DWELLING UNITS THEY COULD RENT OUT TO HELP THEM AFFORD TO STAY IN PLACE**

Land Development Code and building code requirements will need to be adopted in order to enable homeowners to modify existing interior residential space into separate units. NHCD should work with the Development Services and Finance Departments to:

- Add interior rental Accessory Dwelling Units as a permitted use within the Land Development Code, including the development of size parameters for these interior units.
- Codify Code Interpretation 2018-0622 within the Land Development Code or the Building Code Manual to make sure this rental portion is not sold off.
- Examine new fire extinguisher requirements that may need to be added to the building code.
- Low-income homeowners may also need financial assistance in the form of low-interest loan, forgivable loan, or grant programs in order to enable them to conduct necessary renovations, as the creation of a separate housing unit will require fire separation (which can be costly depending on the existing house layout). NHCD should work with DSD to examine average costs for fire separation and determine if a small-dollar loan program for low-income homeowners could be created.

# COMMUNITY VALUE II: FOSTER EQUITABLE, INTEGRATED, AND DIVERSE COMMUNITIES

Addressing historic segregation and creating intentionally integrated communities will help the City of Austin provide equitable opportunity to all of its residents. According to a plethora of recent research, the impacts of segregation are generational; children growing up in high-poverty or highly segregated neighborhoods attain lower education levels, and have lower earnings later in life, than children growing up in high-opportunity neighborhoods.<sup>10 11</sup> This Community Value includes strategies and actions that promote strategic investments and create protections for low-income households and people of color to address racial integration in housing.

Some of the key strategies in this Community Value include coordination with the Affordable Housing Conservancy to assist in the preservation of multi-family affordable housing; implementation of Austin's Fair Housing Action Plan; and implementation of a land banking strategy that preserves land for affordable housing in gentrifying areas and near future public investments.



*This plan seeks to foster equitable and diverse communities, as seen here at the Arbor Terrace development (source: City of Austin).*

<sup>10</sup> Nancy McArdle and Dolores Acevedo-Garcia, 2017, "Consequences of Segregation for Children's Opportunity and Wellbeing." Presented at Harvard Joint Center for Housing Studies Symposium, *A Shared Future: Fostering Communities of Inclusion in an Era of Inequality*. [http://www.jchs.harvard.edu/sites/default/files/a\\_shared\\_future\\_consequences\\_of\\_segregation\\_for\\_children.pdf](http://www.jchs.harvard.edu/sites/default/files/a_shared_future_consequences_of_segregation_for_children.pdf)

<sup>11</sup> Raj Chetty, Nathaniel Hendren, and Lawrence Katz, 2016, "The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Project." *American Economic Review* 106 (4).

## **OBJECTIVE II.1: DEVELOP A STRIKE FUND**

In 2014, as part of Resolution No. 20141016-034, the Austin City Council recommended implementation of a **Strike Fund as a strategy to achieve a goal of preserving 20,000 affordable housing units over 20 years**. A collaborative has designed a **sustainable economic model** for the fund to include: a determination of a fund structure, a framework for the housing portfolio, and options for seeding the fund. The fund would strategically acquire, renovate, and manage existing multifamily buildings to make them affordable for the long term.

### **ACTION II.1.A: DESIGN A SUSTAINABLE ECONOMIC MODEL FOR THE FUND TO INCLUDE: A DETERMINATION OF A FUND STRUCTURE, A FRAMEWORK FOR THE HOUSING PORTFOLIO, AND OPTIONS FOR SEEDING THE FUND**

Affordable Central Texas (ACT) is a not-for-profit group formed in 2016 to address affordability issues across greater Austin. ACT has launched its first investment fund, the Austin Housing Conservancy (AHC), which is serving as a strike fund to preserve workforce affordable housing units in the Austin metro area. This fund will offer investors lower-risk returns in exchange for investment in preserving existing multifamily communities for Austin's workforce. In September 2018, the fund acquired its first multifamily property, a 308-unit community located in North Austin. The fund is an open-ended private equity investment vehicle that will continually raise equity and purchase properties to meet the fund's 10-year, 10,000 unit goal. ACT leaders estimate that this will require raising approximately \$500 million from sources including individual investors, foundations, Community Reinvestment Act equity from banks, social impact investment funds, and potentially Opportunity Zone funds once the terms of Opportunity Zone funding are better defined.

Key strategic principles of the fund include:

- Preserve affordability for Austin households in the 60-120% MFI range. ACT is working to keep at least half of the units in its portfolio affordable to households earning 80% MFI and below, in order to leverage Housing Authority dollars and Community

Reinvestment Act funding from banks. However, the fund remains open to preserving affordability at 110% or 120% in areas of extreme high opportunity where very little housing is available to working-class residents.

- Acquire class B and C naturally affordable properties of 150 units or more. Acquiring larger properties allows the economy of scale needed for on-site property management.
- Focus acquisitions on properties that are near transit, proximate to grocers, schools, jobs, and healthcare services.

### **ACTION II.1.B: STRATEGICALLY ACQUIRE, RENOVATE, AND MANAGE EXISTING MULTIFAMILY BUILDINGS TO MAKE THEM AFFORDABLE LONG TERM**

At a national level, successful affordability preservation at a large scale tends to occur when three major factors are in place: high-capacity housing developers, an entrepreneurial public sector willing to invest in preservation, and a pool of funding dedicated to preservation. Affordable Central Texas has completed its first 308-unit acquisition to launch the fund with the intent to maintain affordability for households in the 60-120% MFI range. In order to meet the Blueprint goal of preserving 10,000 affordable housing units over 10 years, the AHC will need to continue to accumulate investment dollars and acquire properties rapidly.

Areas for potential collaboration between the City and ACT to expand the fund's resources and advance its mission include:

- Consider opportunities to collaborate on potential preservation opportunities involving publicly-owned property or land. ACT noted that it would be difficult for them to manage scattered-site properties of less than 150 units, but that they could partner where there are opportunities for significant scale of development.
- Partner with the City when it has "right of first refusal" to purchase expiring Low-Income Housing Tax Credit properties; this could include ongoing City ownership of land with ACT owning and operating the development.
- Consider opportunities for issuing tax abatements to AHC-owned affordable properties to extend their

financial resources and enable them to acquire and preserve more units, including through the NEZ strategy described in **Action I.3.A**.

- Re-energize the S.M.A.R.T. Housing program, as described in **Action IV.3.A**, to reduce permitting delays and fees for qualifying developments.
- Maintain and expand down payment assistance programs that will allow residents in fund-owned opportunities to transition the economic benefits of stable housing into home ownership.
- Provide support for third party service providers who can assist residents with needs beyond stable housing including financial literacy, financial planning, healthcare access and insurance, educational programs and day-care needs.
- Remain in touch with ACT to consider how their investor base can be involved and engaged in broader affordability issues in Austin and the region.



*The Chicon at 1212 Chicon Street was created to preserve and support the culture of the Chestnut Neighborhood’s historic commercial center. Developed by the Chestnut Neighborhood Revitalization Corporation, the complex offers a total of 43 residential units and ground level retail, restaurant, and office spaces. Affordable units are available for qualified buyers at or below 80% of MFI (source: City of Austin).*

## **OBJECTIVE II.2: IMPLEMENT THE CITY OF AUSTIN’S FAIR HOUSING ACTION PLAN AND BOLSTER ENFORCEMENT OF EXISTING FAIR HOUSING REQUIREMENTS**

The City of Austin’s Analysis of Impediments to Fair Housing Choice includes a Fair Housing Action Plan with **specific actions to affirmatively further fair housing choice**. These actions include several opportunities through the city’s zoning code. It is recommended that the City of Austin pursue implementation of the Fair Housing Action Plan in its entirety. All units and projects which use City of Austin funding must comply with Fair Housing, Section 504 and the City’s Visitability requirements.

### **ACTION II.2.A: IMPLEMENT THE FAIR HOUSING ACTION PLAN IN ITS ENTIRETY**

The City of Austin’s Fair Housing Action Plan (FHAP) was completed in 2015; it identifies 12 barriers to fair housing choice in the City of Austin and sets forth specific actions to be taken in the next few years to affirmatively further fair housing choice. Currently, the City is participating in a regional Analysis of Impediments to Fair Housing Choice (also named Central Texas Fair Housing Assessment) process that will update the findings of the 2015 FHAP. However, engagement with stakeholders during the Blueprint Implementation process made clear that many of the FHAP findings persist as of 2018. The 12 barriers to fair housing choice identified in the FHAP are shown below, with notes about how the Blueprint recommendations and actions will impact these barriers.

- Lack of affordable housing disproportionately impacts protected classes with lower incomes and higher poverty rates. This barrier is addressed by the Blueprint’s production goals for affordable housing, which will enable the City to meet the needs of protected classes, and the numerous Blueprint tools designed to increase the production of affordable housing.
- Lack of affordable housing citywide exacerbates segregation created through historical policies and practices. This barrier is addressed by the Blueprint

metrics that require 25% of affordable housing to be constructed in high-opportunity areas; 25% to be constructed within ¼ mile of high-frequency transit; 10% of rental housing in each Council district to be affordable to households earning 0-30% MFI; and 75% of new housing production to be constructed within ½ mile of Imagine Austin centers and corridors.

- The city is limited in its ability by state law to use inclusionary zoning as a tool to broaden housing choice. This barrier is addressed by **Action II.11.A** and **Action II.11.B**.
- Information on housing choice is not widely available in languages other than English and/or in accessible formats. Information for people who are members of protected classes about possibilities to live in housing that was created in higher opportunity areas through city incentive and developer agreement programs is limited. This barrier has been partially addressed through NHCD's creation of a public affordable housing database as of 2018. However, the language issue is an ongoing issue that is mentioned in several areas of the Blueprint Implementation Plan, such as **Action II.4.B**. A Language Access Plan (LAP) for materials that deal with fair housing and potentially other useful housing programs (such as the citywide affordable housing database) is in development, and should continue to be enhanced.
- Complaint data signals non-compliance of property owners and builders with accessibility requirements. Ensuring compliance with accessibility requirements is a complex process that involves the Development Services and Code departments as well as the Equal Employment / Fair Housing Office. Including accessibility requirements in the training for other City departments as specified under Barrier 11a in this section should help ensure that all City agencies understand the accessibility requirements and how to enforce them.
- Overly complex land use regulations limit housing choice and create impediments to housing affordability. These include: minimum site area requirements for multifamily housing, limits on ADUs, compatibility standards, overly restrictive neighborhood plans and excessive parking requirements. Many of these items are addressed by Blueprint strategies and actions related to Land Development Code changes; see **Actions I.5.B, I.9.A, II.9.A, IV.2.A, and IV.2.B**. Overly restrictive neighborhood plans, site area requirements for multifamily development, and parking requirements continue to need attention in upcoming code change processes..
- Private market barriers include steering, high loan denials for African Americans and other protected classes, and overly complex and rigorous standards for rental qualifications. This barrier is primarily addressed in the FHAP with a recommendation to "Provide for enhanced matched pair testing and enforcement for lending, steering, leasing and sales for all protected classes, especially persons with disabilities." One issue that emerged with this recommendation during the Blueprint Implementation process was the need to ensure adequate EE/FHO staffing to deal with the volume of fair housing and equal employment issues they currently need to process, as many of their case managers are overwhelmed with cases and there is little funding to enhance services at the present time.
- City incentives to create affordable housing may not be equitably distributed throughout the city and may not serve the protected classes with the greatest needs. This FHAP barrier is addressed by Blueprint implementation **Actions IV.3.A, IV.6.A, and III.6.B**.
- The City's historical lack of enforcement of city codes governing the maintenance of housing stock in different neighborhoods may influence the housing choices of protected classes, potentially restricting access to opportunities. Participants from multiple City departments worked together to elaborate on this strategy during the SHBI process. City staff noted that the Code Department must balance enforcing maintenance versus triggering demolitions, particularly when dealing with aging housing stock (50 years+). They also noted that absentee landlords may be difficult to sue in order to bring their properties into compliance. Participants suggested that the City examine the creation of a "good landlord" program that would create incentives for property owners to operate in good faith, while continuing to maintain the possibility of suing owners who do not comply

with code requirements. This program could be modeled on the highly successful Troubled Building Initiative in Chicago, which brings together six city departments that actively work to assist building owners with repeat complaints or code violations to correct their violations, or to sell their building if they do not wish or cannot afford to correct problems. If a lawsuit is required, each building is assigned a “receiver” in housing court to enable the placement of a lien that can force a building into foreclosure unless an owner makes repairs.<sup>12</sup> NHCD should work with the Law Department to determine whether such a program would be able to function in a similar manner under Texas law.

- The City’s historical lack of funding for public infrastructure and amenities, including parks, in different neighborhoods may disproportionately impact protected classes, influence housing preferences, and restrict access to opportunities. The Fair Housing Action Plan calls for implementing the City of Austin Urban Parks Work Group recommendations and expanding access to parks in areas where concentrations of protected classes do not live within ½ mile of a park.
- Lack of knowledge about fair housing requirements creates barriers to affirmatively furthering fair housing. The FHAP notes that both the public and many City departments do not have adequate information or knowledge about fair housing requirements and obligations. The SHBI process further explored two of the recommended actions:
  - » Fair Housing Training for City Staff: The FHAP recommends providing fair housing training for city staff in planning, development review, economic development, and other city departments with impact on housing development and conditions that affect people who are members of protected classes. Stakeholders from City departments involved in the SHBI process suggested that the Law Department’s fair housing specialist should collaborate with EE/FHO, NHCD, and the City Manager’s office to create an Affirmatively

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<sup>12</sup> HUD USER Case Studies, “Chicago, Illinois: The City’s Troubled Building Initiative Renovates and Preserves Deteriorating Apartments,” [https://www.huduser.gov/portal/casestudies/study-043018.html?WT.mc\\_id=june0518&WT.tsrc=Email](https://www.huduser.gov/portal/casestudies/study-043018.html?WT.mc_id=june0518&WT.tsrc=Email)

Furthering Fair Housing training within the City’s online portal that would be required for staff from all departments that interact with the housing and development process, and departments that impact access to opportunity, including economic development, health and parks departments.

- » Fair Housing Impact Statement (AIS): The FHAP recommends adding to the City’s affordability impact statement, which is used in code changes, a “Fair Housing Impact” statement, which would analyze the impact of the change on fair housing opportunities for all protected classes. Currently, the affordability impact statement requires applicants to report whether a new policy or zoning change is likely to increase or decrease access to affordable housing in the City. Adding a Fair Housing Impact Statement will require coordination between NHCD and the EE/FHO to determine what metrics might be best to measure fair housing impacts beyond the impact on affordability, which is already measured. One metric could be the increase or decrease in accessible units of various types.
- “Crime in neighborhood” is a frequently cited reason for dissatisfaction with current housing. The FHAP recommends reviewing police response times in high- and low-opportunity areas. This analysis was completed in 2015 and found that 43 percent of survey respondents listed crime as the reason they were dissatisfied with their current housing situation. When asked what they would change about their neighborhood, 46 percent of respondents answered “less crime.”

Based on this analysis, key next steps on items that are not covered elsewhere in the Blueprint are listed below under “Phase.”

**ACTION II.2.B: REQUIRE ALL PUBLICLY FUNDED UNITS AND PROJECTS TO COMPLY WITH FAIR HOUSING RULES, SECTION 504 OF THE 1973 REHABILITATION ACT, AND THE CITY’S VISITABILITY REQUIREMENTS.**

Background: Ensuring that all publicly funded projects comply with fair housing rules, including the City’s Section 504 and visitability rules related

to accessibility, will help enhance the amount of accessible and affordable housing stock throughout the city. These requirements should apply to any project that receives regulatory and/or financial incentives from the City, including projects that participate in the S.M.A.R.T. Housing program and development incentive programs. One issue that came up during the SHBI process is that federal requirements for projects that receive federal subsidy-- but not City subsidy-- may differ from City requirements. This issue should be studied more fully to determine where federally funded projects may not comply with City requirements.

Stakeholders noted that the City's visitability requirements may be particularly hard to comply with for mid-density and attached housing types, or housing that is located on smaller lots in the urban core. While the City must generally enforce its visitability requirements, possible adaptations that still meet accessibility needs but work for mid-density and attached housing types should be explored. The City should work with homebuilders and architects familiar with the challenges of producing mid-density products on small lots to craft a policy that allows for some flexibility, while also consulting with advocates on these opportunities.

In order to adequately enforce the City's fair housing, Section 504 of the 1973 Rehabilitation Act, and visitability requirements, the EE/FHO may need more staff. Currently, case loads often overwhelm the office and there is little ability to follow up on all reported violations. Partnerships with the Austin Tenants' Council, which can perform testing after projects are complete, may be beneficial to ensure that each publicly funded project can be fully examined for compliance.

## **OBJECTIVE II.3: UNDERTAKE STRATEGIC LAND BANKING**

Land banks and other real estate acquisition initiatives help affordable housing developers meet one of their greatest challenges: **securing properties and sites on which to build affordable and/or mixed income housing.** The City of Austin should **strategically acquire and hold land in underdeveloped activity centers and corridors**, making it available to private or non-profit developers for the construction of affordable housing as these areas develop.

### **ACTION II.3.A: STRATEGICALLY ACQUIRE AND HOLD LAND IN UNDERDEVELOPED ACTIVITY CENTERS AND CORRIDORS, MAKING IT AVAILABLE TO PRIVATE OR NON-PROFIT DEVELOPERS FOR THE CONSTRUCTION OF AFFORDABLE HOUSING AS THESE AREAS DEVELOP.**

Austin is growing rapidly, and areas that are currently underdeveloped and affordable may rise quickly in price as development pressure reaches new areas of the City-- particularly areas on the current urban fringe. By acquiring and holding land in areas that are currently inexpensive, the City can ensure that this land is available to meet future public priorities, including the provision of affordable housing and public services in growing neighborhoods. In order to advance this land banking work, the City will need to:

- Create a land banking strategy that includes key locations and property types, and that also incorporates a detailed understanding of the City's current inventory of land. The strategy should incorporate priorities for land purchase near Imagine Austin centers and corridors; current and future transit corridors; and current and future public mobility improvements such as 2016 Mobility Bond Corridors. It should also incorporate key criteria for disposition of banked land, including affordability criteria.
- Develop a funding strategy for property acquisition, likely by using housing bond dollars or funding from a separate general obligation bond.
- Work to establish a quasi-governmental redevelopment agency that can quickly negotiate acquisitions and partnerships. While current City

agencies may be able to perform land banking functions, a redevelopment agency can take on critical roles in financing and moving development opportunities forward that are difficult for internal City departments. The redevelopment agency can help provide a forward-thinking, strategic structure for public-private partnerships.



*In partnership with several non-profits, the non-profit Guadalupe Neighborhood Development Corporation was awarded \$1,665,000 for their affordable rental and home ownership programs, including the Saldana Subdivision. This 11-acre subdivision will be comprised of 90 units of rental and ownership housing in East Austin, less than 2 miles from downtown. This public/private/non-profit partnership will provide the following affordability breakdown: 58 units at 80% median family income or less, 7 units at 60% median family income or less, 25 units at 50% median family income or less (source: City of Austin).*

## **OBJECTIVE II.4: IMPLEMENT TENANT RELOCATION ASSISTANCE PROGRAM**

Austin City Council approved an ordinance establishing requirements for property owners or developers to provide advance notice to tenants when the apartment buildings or mobile home parks they live in will be demolished. The ordinance also created a **relocation assistance program** for low-income renters and mobile home park tenants who are displaced by new development. The City will need to identify funding for this program to provide education and tenant assistance to vulnerable populations, particularly those with language or other barriers to gaining the assistance they need. The City will also conduct an impact study to determine relocation fees that can be charged to developers, in certain cases, when redevelopment will displace low-income tenants.

### **ACTION II.4.A: IDENTIFY FUNDING FOR TENANT RELOCATION ASSISTANCE PROGRAM**

In order to address the destabilizing effects of displacement, the City Council passed Ordinance 20160901-050 with requirements for tenant relocation assistance and notification in the event of redevelopment. The City will conduct a Tenant Relocation Fee Nexus Study in order to determine whether and how to charge fees to property owners and/or developers who are responsible for displacing low-income tenants due to redevelopment. Once the study is complete, stakeholders also noted that enforcement of the ordinance may be difficult, because landlords can simply fail to renew tenants' leases or evict them on alternate (often specious) grounds, and then proceed with redevelopment once tenants have been forced out. Identifying funding and ensuring that all affected tenants can utilize the program's benefits is an important step in continuing to house the City's low income populations.<sup>13</sup>

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<sup>13</sup> <http://austintexas.gov/page/tenant-relocation-assistance>

## **OBJECTIVE II.5: PROTECT RENTERS FROM DISCRIMINATION BASED ON SOURCE OF INCOME**

Renters who receive income from Social Security, veterans' benefits, child support, Supplemental Security Income (SSI) and Housing Choice (Section 8) Vouchers **should not face barriers to housing based on their income type**. Austin City Council unanimously passed an ordinance in 2014 prohibiting landlords from discriminating against renters based on their use of Housing Choice Vouchers, Veterans Affairs Supportive Housing vouchers, or other vouchers; however, state law now prohibits this protection, except for veterans. The City will **continue to support legislation to expand anti-discrimination laws** that include verifiable sources of income for all people, and modify voluntary developer incentive programs, including the S.M.A.R.T. Housing Program and density bonus programs to include that requirement. The City should also explore mechanisms to encourage landlords to accept vouchers or proactively maintain their properties. This could include a risk mitigation fund for landlords who rent to vulnerable or hard-to-house tenants.

### **ACTION II.5.A: SUPPORT LEGISLATION TO EXPAND ANTI-DISCRIMINATION LAWS THAT INCLUDE VERIFIABLE SOURCES OF INCOME FOR ALL PEOPLE**

In 2014, Austin's City Council passed an ordinance that prohibits landlords from discriminating based on a person's source of income. The following year, the State of Texas passed a law that overturned the City's efforts and prohibited any municipality in Texas from enacting a source of income discrimination law, other than for veterans. In 2017, Austin's City Council voted to sue the State over this law. While this litigation is ongoing, the City should:

Continue to incorporate source of income protections into voluntary incentive programs like density bonus programs and the S.M.A.R.T. Housing program (see **Action II.5.B**). Also incorporate these protections into developments that incorporate use of publicly owned land or property. Explore how to enforce these protections.

Coordinate with other Texas cities to advocate for the state legislature to pass new legislation that enables the City of Austin to enforce its existing ordinance, or at minimum broadens the City's power in this regard.

### **ACTION II.5.B: MODIFY VOLUNTARY S.M.A.R.T. HOUSING AND DENSITY BONUS PROGRAMS TO INCLUDE ANTI-DISCRIMINATION LAWS THAT INCLUDE VERIFIABLE SOURCES OF INCOME.**

- While the City cannot currently enforce its citywide ordinance against source of income discrimination, it can ensure that projects that receive City incentives do not discriminate based on source of income. Proposed Land Development Code changes have included ensuring that applicants for housing that has been constructed through S.M.A.R.T. Housing and density bonus programs cannot be denied housing based solely on the prospective tenant's participation in the Housing Choice Voucher Program or any other voucher program that provides rental assistance. The City should:
- Implement these proposed Land Development Code changes.
- Extend the same source of income requirements to all properties that received incentives from Regulating Plan bonus programs (East Riverside Corridor, North Burnet-Gateway, and Transit-Oriented Development district plans).
- Explore additional opportunities to use fee waivers or tax abatements as an incentive for market-rate developers to adopt this protection, such as the proposed NEZ program discussed in Action I.3.A.

### **ACTION II.5.C: ACTION II.5.C: EXPLORE MECHANISMS TO ENCOURAGE LANDLORDS TO ACCEPT VOUCHERS AND/OR PROACTIVELY MAINTAIN THEIR PROPERTIES**

Landlord education about the Housing Choice Voucher (HCV) program will help expand the housing opportunities available to voucher recipients. Many landlords avoid renting to tenants with vouchers due to stereotypes of voucher holders; because they do not understand the program requirements; or because the program requires inspections and the landlords' properties may not meet HUD's standards.

City departments and the Housing Authority should collaborate with a variety of stakeholders, including tenant advocates and landlord organizations, to ensure that as many landlords as possible receive accurate information about how the HCV program works; relative rates of on-time payment received by HCV landlords; inspection requirements; and other key questions suggested by landlords and tenants. This should include a set of flyers and information on paper and on the City’s and Housing Authority’s websites, and might also include a series of landlord workshops that could be convened by stakeholder organizations but include City representation. These workshops should strive to include both large property management firms and small, independent landlords; property management firms often have inflexible policies about vouchers that need to be altered, while small independent landlords are more likely to lack information about the HCV program.

Substandard or dilapidated rental properties can be rented cheaply, but are likely ineligible for Housing Choice Voucher recipients because of HUD requirements for property inspections. Bringing more rental properties up to code while preserving affordability through various strategies, including a potential Preservation Property Tax Abatement (**Action I.3.A**) or “good landlord” code enforcement program that preserves affordability (**Action II.2.A**) could help expand the potential supply of rental units available to Housing Choice Voucher holders.

## **OBJECTIVE II.6: IMPLEMENT RECOMMENDATIONS IN THE AUSTIN/TRAVIS COUNTY REENTRY ROUNDTABLE REPORT**

Increased partnerships, education, and accountability are **important to address barriers to housing for persons with criminal backgrounds**. Review and revise policies for recipients of city funding to ensure they have reasonable look-back periods for both misdemeanors and felonies, and that there is an appeals process built into the admissions policies.

### **ACTION II.6.A: ACTION II.6.A: REVIEW AND REVISE POLICIES FOR RECIPIENTS OF CITY FUNDING TO ENSURE THEY HAVE REASONABLE LOOK-BACK PERIODS FOR BOTH MISDEMEANORS AND FELONIES, AND THAT THERE IS AN APPEALS PROCESS BUILT INTO THE ADMISSIONS POLICIES.**

The Austin/Travis County Reentry Roundtable is a group that supports equity for formerly incarcerated persons and those with criminal histories. The group strives to promote safe and healthy communities through effective reentry and reintegration of these populations, and has created a strategic plan to support these goals. The most recent plan, covering 2018-2022, builds on previous planning efforts and strives to engage community members and break down silos among reentry stakeholders.

One of the Roundtable’s priorities is ensuring that Austin residents who have criminal records can still access housing, and that these records do not follow people who have re-entered society for the rest of their lives. A “look-back” period, for a rental property owner, defines the length of time that the property owner is able to consider a particular criminal offense as a reason to reject a person’s rental application. Look-back periods often vary by the type of offense; housing providers often have shorter look-back periods for misdemeanors compared to felonies, or for nonviolent crimes compared to violent crimes.

While the City cannot change the practices of private landlords, they can set policies on look-back periods for recipients of City funding and incentives. The City may benefit from HUD guidance on these periods; while HUD does not have an official policy on look-

back periods, they have supported a maximum seven-year look-back period for any criminal offense, and encouraged housing authorities and providers to establish shorter look-back periods for non-violent crimes or misdemeanors. In addition, the City should ensure that no recipient of public funding or incentives considers arrest records alone (absent any criminal conviction) as a reason to reject a rental application.

## **OBJECTIVE II.7: ADD FLEXIBILITY TO OCCUPANCY LIMITS**

On March 20, 2014, the City of Austin amended its city code regarding dwelling unit occupancy to reduce the maximum occupancy limits for single family homes in certain zoning districts and for duplexes from six unrelated adults to four. The ordinance only applies to structures built after March 31, 2014.

**This occupancy limit change could raise the cost of housing for unrelated roommates since housing costs will be split among fewer occupants; on the other hand, it could also discourage the demolition and replacement of existing housing with newer, costlier alternatives.** The City should continue to monitor whether and how occupancy limits have impacted new construction. The City should continue to adhere to fair housing laws in order to avoid certain communities experiencing disparate impact.

### **ACTION II.7.A: MONITOR WHETHER AND HOW OCCUPANCY LIMITS HAVE IMPACTED NEW CONSTRUCTION.**

Background: Examining construction trends before and after the City's occupancy limit change will help to determine whether the reduction in occupancy limits from six to four unrelated adults has promoted the demolition and replacement of existing housing with newer, costlier alternatives. This analysis should be conducted as part of the City's Demolition Fee Nexus Study. Funding for the study was set aside in the 2018-2019 budget. The study should examine changes in building permits being requested before and after the passage of the 2014 ordinance, potentially by examining 2010-2013 building permit applications and then 2014-2017 building permit applications, as well as the number of demolitions that impact existing housing.

Because permitting systems currently do not require landlords to report the number of bedrooms in each housing unit, it may be difficult to determine whether the occupancy limits ordinance has resulted in the construction of fewer family-sized units or increased rental costs per bedroom. Adding the number of bedrooms in each unit to building permit applications, as described in **Action IV.2.C**, should help monitor ongoing changes in the availability of family-sized units of two bedrooms or more in the future. However, it is

important to note that even with data on bedrooms, determining a causal link between the occupancy limit and an individual property owner's decision to redevelop is still extremely difficult, because a myriad of factors can influence a property owner's decision making process that have nothing to do with occupancy limits (including market conditions, construction costs, and personal considerations).

**ACTION II.7.B: ACTION II.7.B: ADHERE TO FAIR HOUSING LAWS IN ORDER TO AVOID CERTAIN COMMUNITIES EXPERIENCING DISPARATE IMPACT.**

HUD's Keating memo, issued in 1998, provides HUD guidelines on how to evaluate whether an occupancy limit violates the Fair Housing Act prohibition on discriminating against tenants or potential tenants due to their familial status. It establishes two persons per bedroom as a guideline for total occupancy; however, the memo also notes that local ordinances and individual landlords may take the nature and size of housing units into account when determining a final occupancy limit.<sup>14</sup> In addition to the national guidelines on familial status discrimination, Austin housing discrimination law also establishes students as a protected class and prohibits age-based discrimination. If this occupancy limit is found to materially harm students or seniors, then the City may need to revise the ordinance to avoid causing disparate impact to students. Local advocates also note that the Fair Housing Office's staffing challenges have made it difficult for the office to keep up with complaints, and that there may be a need for additional staffing in order to monitor landlords' compliance with fair housing regulations.

The City should determine whether the occupancy limits ordinance has had an impact on the availability and cost of housing for protected classes by:

- Utilizing the Demolition Fee Nexus Study results
- Monitoring fair housing complaints related to familial status and student status
- Consulting with housing advocates for senior citizens such as AustinUP.

If the occupancy limits ordinance is found to impact these protected classes negatively, the City may wish to revise its ordinance to correspond more closely to HUD's Keating memo standards and explore more targeted approaches to addressing the negative impacts of overcrowding (such as increased code enforcement or limiting residential parking permits).

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<sup>14</sup> Fair Housing Council of Suburban Philadelphia, "Occupancy Standards," <http://www.fhcsp.com/Providers/occupancy.html>.

## **OBJECTIVE II.8: FULLY UTILIZE HOMESTEAD PRESERVATION DISTRICT TOOLS**

Homestead Preservation Districts (HPDs), in combination with Homestead Preservation Reinvestment Zones, **can provide a dedicated funding stream to reinvest in affordability** within the most impoverished areas of Austin. Tax Increment Reinvestment Zones (TIRZs) or Tax Increment Financing districts (TIFs) can be set up under the state’s Homestead Preservation District law to **ensure property tax dollars from economic development are reinvested in affordability for that area**. The Homestead Preservation Districts and Reinvestment Zones do not establish new taxes or increase existing taxes on residents but do result in higher tax rates for any given amount of General Fund property tax revenue.

### **ACTION II.8.A: ESTABLISH HOMESTEAD PRESERVATION REINVESTMENT ZONES OR TAX INCREMENT FINANCING DISTRICTS (TIRZS) TO REINVEST SOME PORTIONS OF PROPERTY TAX DOLLARS FROM ECONOMIC DEVELOPMENT INTO AFFORDABILITY.**

Homestead Preservation Districts are a State-authorized tool to assist local jurisdictions to fund affordable housing and housing preservation. District A, which includes many neighborhoods in East Austin, was designated in 2015. However, since the creation of District A, Austin has become ineligible to create additional Homestead Preservation Districts because the “service region” that includes Austin has more than the State-specified allowable 550,000 occupied housing units. State legislation would be required to fix this issue.

However, one of the key funding mechanisms associated with Homestead Preservation Districts -- the Homestead Preservation Reinvestment Zone -- is essentially the same as a traditional tax-increment financing (TIF) tool. The State of Texas authorizes Tax Increment Reinvestment Zones, which are functionally the same as TIF districts. TIFs work by setting a baseline value of collected taxes-- usually property taxes-- for a certain geographic area in the year that the TIF is established. Then, during the term of the TIF, all (or a portion) of the annual tax revenue over and

above that baseline value can be reinvested in projects within that geographic area. While TIF revenues can be dedicated to a wide array of public-sector investment options, the City of Austin could establish TIF districts that specify that a portion of their revenues should be dedicated to affordable housing.

The City should modify its TIF policy, as described in **Action III.6.A**, to help leverage this important tool to promote affordability in areas of rapid growth and appreciation. The City Council directed the City Manager to study this issue in March 2018 (Resolution 20180301-023); the Austin Finance Department is currently developing recommendations.

## OBJECTIVE II.9: DEVELOP PROGRAMS, RESOURCES, AND GUIDES TO AID WITH SMALL SCALE PRESERVATION

Cities like Seattle offer guides, tools, and programs specifically geared toward **helping small landlords preserve the affordability** and safety of their rental housing, without selling the property to be redeveloped, resulting in a loss of affordability. The City of Austin should **identify funding sources and programs to help retain this small scale multifamily rental housing stock**. Many of these owners are long term Austinites that care deeply about the housing they own and the opportunity to both preserve the character of the structure and to serve Austinites who help Austin retain its character.

### ACTION II.9.A: IDENTIFY FUNDING SOURCES AND PROGRAMS TO HELP RETAIN SMALL SCALE MULTIFAMILY RENTAL HOUSING STOCK

Small-scale landlords-- particularly those who currently rent their properties at affordable prices-- can face market pressure when property values and taxes rise. Many of these properties may have deferred maintenance issues that owners cannot to address due to limited cash flow or limited availability of credit. When land values rise in gentrifying neighborhoods, these owners may be tempted to sell their properties for redevelopment rather than preserve this critical rental housing stock.

National precedents suggest potential opportunities for the City of Austin to help small landlords retain their rentals and address property condition challenges.

- The City of Seattle recognized a similar challenge with loss of affordable rental housing stock in their growing city and region. Seattle developed a Preservation Guide<sup>15</sup> to help landlords determine how to preserve their affordable rental properties. This guide helps property owners to assess their

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<sup>15</sup> City of Seattle, Office of Housing, "Preservation Guide: A Guide to Preserving and Restructuring Affordable Housing," <https://www.seattle.gov/Documents/Departments/Housing/PropertyManagers/ManagementResources/preservation-guide.pdf>

debt burdens and operating costs and create a plan for ongoing preservation.

- The City of St. Paul, MN offers zero-interest loans to owners of one-to-four-unit rental properties to improve property conditions through their Rental Rehabilitation Loan Program.<sup>16</sup>
- The City of Chicago expanded its Troubled Building Initiative (see Action II.2.A) to incorporate preservation strategies for one-to-four unit properties that are facing code enforcement challenges.<sup>17</sup>

Other Blueprint actions can also be targeted to assist small landlords and increase the number of small rental properties in the City of Austin. These include the addition of ADU options through Land Development Code changes to allow property owners to create interior ADUs and build "by-right" ADUs in many residential districts (see **Action IV.10.A**), and the Preservation Property Tax Abatement proposed in **Action I.3.A**.

In addition, while the Affordable Housing Conservancy (AHC) or "Strike Fund" (see **Action II.1.A**) is currently targeted toward preserving larger affordable properties, it could be utilized to preserve these smaller properties. One possibility to streamline this process could be to use the AHC as the primary buyout mechanism for property owners who are unable or unwilling to repair their properties under the proposed "good landlord" program modeled on Chicago's Troubled Building Initiative (see **Action II.2.A**).

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<sup>16</sup> City of St. Paul, "Rental Rehabilitation Loan Program," <https://www.stpaul.gov/departments/planning-economic-development/rental-rehabilitation-loan-program>

<sup>17</sup> HUD USER Case Studies, "Chicago, Illinois: The City's Troubled Building Initiative Renovates and Preserves Deteriorating Apartments," [https://www.huduser.gov/portal/casestudies/study-043018.html?WT.mc\\_id=june0518&WT.tsrc=Email](https://www.huduser.gov/portal/casestudies/study-043018.html?WT.mc_id=june0518&WT.tsrc=Email)

## **OBJECTIVE II.10: PURSUE LEGISLATION TO ALLOW RENT CONTROL**

The State of Texas has laws limiting municipalities' abilities to enact rent control policies. Rents are determined by property owners and are typically market-driven. By pursuing legislation that **allows rent control, rent price ceilings could be established for specific apartments**, providing a greater inventory of affordable housing for those in need.

### **ACTION II.10.A: ESTABLISH RENT PRICE CEILINGS FOR SPECIFIC APARTMENTS, PROVIDING A GREATER INVENTORY OF AFFORDABLE HOUSING FOR THOSE IN NEED.**

As of 2018, the State of Texas has implemented legislation that limits municipalities' ability to control rents on private properties. Rent control establishes rent price ceilings and allowable increases each year in order to stabilize existing renters as development pressure and rents increase. While additional affordable housing would still be needed in order to accommodate new renters as part of Austin's growing population, rent control would help prevent displacement. However, some research has shown that rent control may ultimately have a negative effect on rental housing stock in the long-term, because landlords will seek ways to remove their properties from rent control by performing condo conversions or other means, and developers will begin to build more owner-occupied properties that cannot be subjected to rent control. If the City wanted to pursue legislation to allow rent control, it would need to form alliances with like-minded municipalities in order to change State law and obtain the ability to implement rent control. Before implementing any rent control policy, the City should also conduct a careful economic study of the potential gains and risks of implementation.

The City has some opportunities to adopt policies that mitigate the impacts of rent increases, even without the ability to establish price ceilings. A "rent increase notice requirement" is one alternative that could help ensure renters have time to find a new apartment if their rent will be increasing significantly. Stakeholders suggested that the City require that landlords notify renters at least 90 days in advance if they are planning a rent increase of more than five percent.

## **OBJECTIVE II.11: PURSUE LEGISLATION TO ALLOW INCLUSIONARY ZONING**

Inclusionary zoning allows local governments to require developers to dedicate a certain portion of new housing units as affordable to low-income residents. Texas state law limits municipalities' abilities to implement mandatory inclusionary zoning policies. However, the law does make exceptions for allowing a requirement as part of an optional density bonus program. In addition, there is varying opinion in the community as to whether there is an exception that allows inclusionary zoning for home sales in Homestead Preservation Districts. The City of Austin **should implement inclusionary zoning as allowed and seek to expand inclusionary zoning powers** as a means to increase the affordable housing supply in Austin.

### **ACTION II.11.A: IMPLEMENT INCLUSIONARY ZONING AS ALLOWED.**

As of 2018, the State of Texas has implemented legislation that disallows municipalities from pursuing mandatory inclusionary zoning policies. The City of Austin has worked to establish voluntary programs that provide for inclusion of affordable units in market-rate developments in return for increased development entitlements on the property. **Objective IV.2** details opportunities to create new density bonus options and refine existing bonus programs in order to expand the impact of these voluntary initiatives. The City should continue to pursue Land Development Code changes and density bonus programs that allow developers to meet the housing production goals established in the Blueprint.

### **ACTION II.11.B: SEEK TO EXPAND INCLUSIONARY ZONING POWERS AS A MEANS TO INCREASE THE AFFORDABLE HOUSING SUPPLY IN AUSTIN.**

Research has shown that mandatory inclusionary zoning programs produce more affordable housing units than voluntary inclusionary zoning programs, largely because the incentives provided through voluntary programs need to be extremely valuable to market-rate developers in order for them to choose to incorporate affordable housing. However, the State has currently preempted the City from enforcing any mandatory inclusionary zoning ordinance. In order to change this situation and expand the City's inclusionary zoning powers, the City will need to work with partners to pass new legislation at the state level. Stakeholders in the SHBI process suggested that Austin work with other cities in Texas to form a coalition that would assist in moving new legislation forward.

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# COMMUNITY VALUE III: INVEST IN HOUSING FOR THOSE MOST IN NEED

Analysis in the Strategic Housing Blueprint found that the city’s lowest-income households are the most financially stressed by housing costs, due to the limited supply of deeply affordable units available for a large segment of Austin’s population.

While 35% of the city’s households earn 60% MFI or below, only 15% of the city’s housing stock is affordable to them, forcing those households to compete with higher income households for a limited supply of housing that is affordable to these lower income households. This lack of affordable supply also results in lower income households having to rent more expensive housing units.”<sup>18</sup>

While it is important to consider the needs of all income levels in providing housing for Austin’s future, this Community Value recognizes that many of Austin’s lowest-income residents have unique needs -- and that the number of market-based housing units available to these families is shrinking each year, necessitating the production of additional income-restricted units to fill the gap. The strategies and actions in this section help to define a balanced approach to provide affordable housing resources for low-income workers, seniors, people with disabilities and the thousands of people experiencing homelessness. They include: pursuing General Obligation Bonds and local fund appropriations for affordable housing, leveraging low-income housing tax credits, challenging the private sector to fund affordable workforce housing, maximizing the use of public properties for affordable housing, and expanding available housing for people with disabilities.



*Housing for all incomes is considered as a part of this plan. (source: City of Austin).*

<sup>18</sup> Austin Strategic Housing Blueprint, p. 9.

## **OBJECTIVE III.1: PURSUE FUTURE GENERAL OBLIGATION BOND ELECTIONS FOR AFFORDABLE HOUSING**

Seeking new voter-approved General Obligation (G.O.) Bonds in the future will build and preserve thousands of quality, affordable homes for the most vulnerable families and individuals and for low wage workers in our community. **G.O. Bonds for affordable housing have been approved three times by Austin voters and have created affordable housing with services to support at-risk families, seniors, and people with disabilities, and preserved housing to prevent displacement of long-term residents.** It is estimated that over 1,900 affordable housing units could be created through an additional \$65 million in voter-approved G.O. Bonds over the course of the next 10 years.

### **ACTION III.1.A: SEEK NEW VOTER-APPROVED GENERAL OBLIGATION BONDS TO BUILD AND PRESERVE THOUSANDS OF QUALITY AFFORDABLE HOMES.**

Austin is the first (and so far, only) Texas municipality to use general obligation bonds for affordable housing. In 2006, voters approved a \$55 million affordable housing bond that created more than 3,400 affordable units, through multifamily development, permanent supportive housing for single adults, single-family housing, and home repair efforts. In 2013, voters approved a \$65 million affordable housing bond. Funds from the 2013 bond have now been fully committed or expended, and will result in 2,253 affordable units (including 1,319 deeply affordable units, serving households at or below 50% MFI) created through the Rental Housing Development Assistance and Acquisition and Development Programs, and hundreds of home repairs for low-income Austinites.

In 2018, the City Council set a General Obligation (GO) bond amount to be dedicated to affordable housing at \$250 million. These bond issues were approved by voters, and will significantly help the City in meeting its Blueprint goals. NHCD staff have noted that \$250 million could be disbursed to qualified projects in the

available timeframe.<sup>19</sup> Given the ambitious community goals in the Blueprint, and the rising costs to deliver affordable housing in Austin, \$250 million will still meet only a portion of the needs for 0-80% MFI housing in Austin. The majority of these resources should be dedicated to lower-income households (0-50% MFI) who are more difficult to serve with other housing tools.

### **ACTION III.1.B: CONSIDER POTENTIAL FOR HIGHER INCOME LIMITS IN FUTURE GO BOND ELECTIONS TO ALLOW FOR HOMEOWNERSHIP CREATION AT 80-120% MFI.**

The City should consider opportunities to utilize bond funds to create homeownership opportunities at 80-120% MFI. The Blueprint establishes a goal that 25% of all owner-occupied units in each Council district will be affordable at 120% MFI (\$93,360 for a four-person household as of 2016, or approximately \$250,000 in total housing value) or below. This income bracket includes many moderate-to-middle-income families, and includes such occupations as teachers, firefighters, and police officers who need access to housing within the city in order to ensure Austinites have access to quality education and public safety. In April 2018, the Bond Advisory Task Force recommended that the bond-funded Real Estate Acquisition Program should serve households up to 120% MFI.

There are opportunities to use future GO bond funds to fund 80-120% MFI units to help fill the affordable homeownership gap in relevant Council districts, as noted in **Action I.5.A**. However, the gap may also be fully or partially addressed by altering the Land Development Code to allow for more “mid-density residential” housing types (see **Action 1.5.B**)-- which could stimulate production of more market rate affordable homeownership opportunities including townhouses, row houses, and small multifamily condominium developments from duplexes to four-plexes. These denser housing typologies have lower land costs per unit, meaning that they can be sold at lower prices. In order to implement this action, therefore, the City should:

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<sup>19</sup> Jack Craver, 2018, “Council members push for \$300M affordable housing bond”, *Austin Monitor*, <https://www.austinmonitor.com/stories/2018/03/council-members-push-for-300m-affordable-housing-bond/>

- Adopt Land Development Code changes as described in Action 1.5.B in order to ensure that the code can produce a larger supply of mid-density residential housing types than currently available, particularly in Council District 9 and Council District 10. This will help enable these two districts to close the homeownership gaps described earlier in this action item.
- Empower NHCD to monitor changes in homeownership for residents of 120% MFI and below in each Council district on a bi-annual basis. If this percentage decreases to below 25% in some Council districts over time, or fails to increase in districts where gaps currently exist, the Council should include 80-120% MFI homeownership as a priority in the next housing bond authorization after 2018's proposed bond issuance.
- If bond fund allocation is deemed necessary, consider the creation of a low-interest revolving loan fund that could provide discounted and/or partially forgivable soft-second mortgages to first-time homebuyers in this income bracket. Revolving loan funds help to ensure that each dollar invested in homeownership can help more than one prospective Austin homeowner. This should be coordinated with the employer-based revolving loan fund recommended in Action III.4.A; creating several revolving loan funds to meet housing needs will add administrative cost and is inadvisable. Rather, one fund could have multiple sources of funding and multiple programs administered by different loan officers.

## **OBJECTIVE III.2: PROVIDE ADDITIONAL LOCAL FUND APPROPRIATIONS FOR AFFORDABLE HOUSING**

A variety of funding sources will be needed to reach the goal of creating 60,000 housing units at 30% MFI and below in the next 10 years. Funding from the City's General Fund, in addition to funds from General Obligation Bonds, the Housing Trust Fund, or the federal government, **would help the City create much-needed income-restricted units for people at deeper levels of affordability.** If affordability is to be a priority, the City should consider allocating more of its resources to the creation of long-term and consistently affordable housing units.

### **ACTION III.2.A: DEDICATE \$6 MILLION PER YEAR IN GENERAL FUND DOLLARS FOR THE NEXT 10 YEARS TO STAFFING FOR NHCD, AS WELL AS THE PRODUCTION OF PERMANENTLY AFFORDABLE HOMEOWNERSHIP AND LONG-TERM AFFORDABLE HOUSING.**

The City's General Fund serves a wide array of resident needs, and dollars from the General Fund should be invested as efficiently and effectively as possible. One major opportunity for the City is to dedicate funding to Austin's growing base of permanently affordable housing developers; a single City investment will create permanent or 99-year affordability. This means that the City will not need to re-invest in creating new affordable units due to an expiration of the affordability restrictions on these properties. Another key opportunity is to ensure that necessary staffing to administer NHCD programs comes from local sources, not from federal grant sources such as CDBG and HOME that fluctuate due to sources outside the City's control.

## **OBJECTIVE III.3: LEVERAGE LOW INCOME HOUSING TAX CREDITS AND SEEK LEGISLATIVE CHANGES**

The Low Income Housing Tax Credit (LIHTC) program directs private capital toward the development and preservation of affordable rental housing for low-income households. Tax credits are awarded to **eligible participants to offset a portion of their federal tax liability in exchange for the production or preservation of affordable rental housing**. Both the 9% and 4% credits can be pursued for affordable housing. The City of Austin should **continue to leverage these funds, and also seek legislative changes to have a portion of the state’s LIHTC allocation dedicated to the City of Austin to focus the funding to meet local goals**. The City should also consider strategically prioritizing applications based on community priorities.

### **ACTION III.3.A: BRING ADDITIONAL COMPETITIVE 9% TAX CREDITS AND NON-COMPETITIVE 4% CREDITS TO THE CITY OF AUSTIN.**

The original language in the Blueprint says “Seek legislative changes to have a portion of the state’s LIHTC allocation dedicated to the City of Austin to focus the funding to meet local goals.” Stakeholders in the SHBI process noted that legislative changes that directly dedicate LIHTC funding to the City of Austin may be difficult or impossible to achieve, as no other municipality in the state receives dedicated funding. However, they identified opportunities to advocate for increased LIHTC allocations at the federal level, and to change the Qualified Allocation Plan (QAP) at the state level to ensure that the City of Austin can receive a needed share of future competitive 9% LIHTC credits, and to work at the federal level to ensure that credits remain available. 9% credits provide more funding than 4% credits to each affordable housing deal; given that recent decreases in the corporate tax rate have decreased the total value of each credit, the City badly needs additional 9% investment to help make up this gap and ensure that production of units for residents at 60% MFI and below can continue at a strong pace.

### **INCREASING AVAILABILITY OF 9% TAX CREDITS IN THE CITY**

Projects throughout Texas compete for 9% tax credits based on criteria established in the QAP. The 2018 QAP contains provisions that aid counties of less than one million in population, and other provisions that aid cities located within counties of over 1.7 million in population.

- Counties with less than one million residents are not subject to proximity limitations between development sites that automatically eliminate the following applications from consideration: the lower-scoring of two applications within two miles of one another; any application for a project within one mile of a project serving the same population that was funded during the preceding three years; or the lower-scoring of two senior housing applications within the same county, among other restrictions.
- Within counties of over 1.7 million residents, cities with over 500,000 in population automatically receive at least one 9% tax credit award for the highest-scoring project that is a component of a “concerted revitalization plan” adopted by the municipality.

Travis County, which has an estimated 1.23 million residents as of 2017, meets none of these criteria. The City’s Office of Intergovernmental Relations should work to ensure that the City of Austin and Travis County do not fall into this “population gap” in future versions of the QAP. Given the upcoming small area planning process that will be administered by the City’s Planning and Zoning Department, there is an especially significant opportunity to lower the 1.7 million population threshold and prioritize important affordable developments within areas covered by these small area plans, or within specific Imagine Austin centers and corridors. This could require:

- Advocacy to change formula allocations within Section 2306.6711 of the Texas Government Code
- Advocacy to change TDHCA guidelines for 9% tax credit allocations

### **MAINTAINING AVAILABILITY OF 9% AND 4% CREDITS THROUGH FEDERAL ADVOCACY**

Stakeholders in the SHBI process noted that the LIHTC program has been under threat at the federal level in recent years. The City of Austin and local stakeholders should support federal-level campaigns to maintain or

increase total LIHTC availability at the federal level, and to maintain or increase allocations provided in Texas.

### **ACTION III.3.B: STRATEGICALLY PRIORITIZE APPLICATIONS BASED ON COMMUNITY PRIORITIES**

As noted in **Action III.3.A**, the 2018 Texas QAP includes measures that require the State to allocate competitive 9% tax credits to only the highest-scoring projects within a particular jurisdiction or within proximity to one another. In order to ensure that projects within Austin receive the maximum amount of LIHTC funding possible, and that the strongest projects are submitted for funding each year, it will be helpful for the City to support the projects that most closely meet Blueprint goals, Imagine Austin goals, and QAP criteria.

Three primary actions for the City include:

- Advocate for changes to QAP criteria before the final release of the QAP each year to ensure that QAP priorities correspond with ongoing needs to serve specific populations and meet Blueprint goals. For example, if the City experiences a shortfall in serving households and individuals at 0-30% MFI, the Office of Intergovernmental Relations and NHCD could work together to advocate for extra points to be allocated to permanent supportive housing-- and other housing for extremely low-income households-- as a part of future QAPs.
- Ensure the requirements of City funding sources, such as the RHDA program, do not conflict with each year's QAP as much as possible. This will help ensure that projects can secure adequate financing to be highly competitive at the state level.
- NHCD staff have created a Development Review Tool for Council members that enables the Council to evaluate various development projects that are seeking City incentives. This tool shows how well each project submitted to Council for City support meets Blueprint metrics for factors including location within high-opportunity areas, location in proximity to high-frequency transit, populations served, and income levels served. NHCD staff and Council should continue to use this Development Review Tool to evaluate projects, and should consider any areas where the Tool could incorporate additional input from the *Atlas of Existing and Historical Conditions* completed as part of the SHBI process.

## **OBJECTIVE III.4: OBJECTIVE III.4: CHALLENGE THE PRIVATE SECTOR TO PARTICIPATE IN A FUND FOR AFFORDABLE AND/OR WORKFORCE HOUSING**

It is essential for our regional economy and good for business when workers of all incomes can afford to live near their jobs. Employers can be part of the solution. The City **should partner with local employers to contribute to a revolving housing fund to help finance the construction and preservation of rental workforce housing.** This model has proven successful in other high-cost areas, including in Silicon Valley, where scores of employers, employer foundations, state and federal housing agencies and private citizens have **voluntarily donated to a trust fund for over a decade to address the community's full range of affordable housing needs**, including but not limited to the needs of their employees. Building on successful models in other cities, the City should also explore partnering with major local employers and institutions to collaborate on innovative co-developments or social investment platforms.

### **ACTION III.4.A: PARTNER WITH LOCAL EMPLOYERS TO CONTRIBUTE TO A REVOLVING HOUSING FUND**

"Revolving loan funds" are funds, usually dedicated to a particular purpose, that are established with an initial pool of investment that is then loaned out and repaid by borrowers. Additional investment can be added to the fund over time to increase its size. Revolving loan funds that are targeted toward developing affordable housing can be structured to have many different advantages over funds available from traditional lending institutions: they can charge lower interest rates; they can have longer payment terms; they can be available for riskier deals, or for earlier phases of deals such as acquisition and pre-development costs; they can provide funds to borrowers who have cash flow but a lower credit score than most banks require; and they can designate a certain percentage of loans as "forgivable," meaning that a portion of the loan does not need to be repaid if the funded project achieves designated goals.

The draft Economic Development Policy to include the Business Expansion Program Guidelines recognize that rapid economic growth in Austin has contributed to an ongoing increase in housing costs that most severely impacts Austin’s low-income residents. Currently, the guidelines link job attraction to housing in several ways, including bonus points for new businesses that provide housing stipends to employees, and for businesses that integrate affordable or workforce housing into their real estate development plans. However, the guidelines do not directly offer employers an opportunity to invest in a revolving loan fund as an alternative to developing housing at their business site; this is a missed opportunity as many businesses may not wish to be landlords or to add the complexity of a housing development to their expansion plans. There is a significant opportunity for NHCD to coordinate with the Economic Development Department and the Chamber of Commerce to determine how best to integrate a revolving loan fund into the Economic Development Policy.<sup>20</sup> In addition, NHCD should consult with the Chamber of Commerce to determine a strategy to market such a fund to existing businesses that are not eligible for the Business Expansion Program, and work with the Economic Development Department to create a Chapter 380 niche program that may achieve these goals.

Other key questions that the City should consider in establishing this revolving loan fund include:

- Consult with Affordable Central Texas to determine whether there is an opportunity to direct business investment into the existing Affordable Housing Conservancy (or “Strike Fund”) rather than establishing a new fund.
- Consider moving management of the revolving loan fund tool to a non-governmental or quasi-governmental entity to reduce conflict of interest and open opportunities to build the fund. This could be the quasi-governmental redevelopment authority that is recommended in Action II.3.A.
- Identify industries, such as healthcare, government, and education, that may be inclined to support such a fund.

### **ACTION III.4.B: EXPLORE PARTNERING WITH MAJOR LOCAL EMPLOYERS AND INSTITUTIONS TO COLLABORATE ON INNOVATIVE CO-DEVELOPMENTS OR SOCIAL INVESTMENT PLATFORMS.**

The Affordable Housing Conservancy (or “Strike Fund”) described in **Objective II.1** is one example of a social investment platform designed to attract capital and use it to invest in the socially positive goal of preserving workforce housing. While returns from social investment funds are often not as strong as returns that can be obtained on the market, large investors may choose to invest because they care about the goal the fund is designed to achieve-- and small investors may invest through crowdfunding and receive a greater return than they would get through a savings account. In order to promote increased social investment in affordable housing, the City should:

- As described in Objective II.1, empower NHCD and AHFC to explore various ways of leveraging the momentum that the Affordable Housing Conservancy has established toward preserving affordable housing.
- Investigate ways to establish and partner with social investment funds that could take advantage of the new Opportunity Zone policy that encourages private investment in low-income census tracts. Texas Opportunity Zones were designated in early 2018.

**Action III.4.A** describes the draft Economic Development Policy guidelines that promote innovative co-developments in which new or expanding employers can be incentivized to incorporate affordable or workforce housing into their new real estate investments. During discussions about the revolving loan fund proposed in **Action III.4.A**, NHCD should work with Economic Development and the Chamber of Commerce to determine how to reach out to employers and developers who may be eligible for these incentives and explore the possibility of co-development at an early stage of their expansion projects.

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<sup>20</sup> [http://www.austintexas.gov/sites/default/files/files/Chapter\\_380\\_Business\\_Expansion\\_Program\\_Draft\\_V2.pdf](http://www.austintexas.gov/sites/default/files/files/Chapter_380_Business_Expansion_Program_Draft_V2.pdf)

## **OBJECTIVE III.5: MAXIMIZE PUBLIC PROPERTY TO BUILD OR INCLUDE AFFORDABLE HOUSING**

Intense competition for limited land drives up cost and makes it challenging to build affordable homes for low-income residents. **Publicly-owned land is a public asset** that must be used strategically to achieve multiple public benefits, including the creation of affordable homes in our community. In order to do this, the Austin City Council must decide to make siting affordable housing on public land a priority by setting policy that construction of affordable housing will always be considered when the City makes decisions regarding its publicly-owned land. The City should **also consider proposals, bids, and partnerships with other public entities who have underutilized land** — including but not limited to Travis County, AISD, Capital Metro and the State of Texas. Building affordable housing on developable public land in key locations near transit and job centers is invaluable in helping low-income workers and families live close to jobs and schools, while decreasing congestion and pollution. The City should consider developing a strategy to purchase state-owned lands as they come up for sale in order to achieve the citywide goal of the creation of desirable and affordable locations that include income-restricted housing and parkland. The City should also consider co-locating affordable housing with other public facilities including fire stations, libraries, community centers, offices, etc.

### **ACTION III.5.A: IMPLEMENT THE S.M.A.R.T. HOUSING ORDINANCE DIRECTIVE THAT MAKES AFFORDABLE HOUSING A PRIORITY USE FOR ALL SURPLUS CITY PROPERTIES.**

Ordinance 20071129-100, part 6(c), states that “except for land with an adopted master plan, AHFC (Austin Housing Finance Corporation) has a right of first refusal for receiving any City owned surplus real property for development as S.M.A.R.T. housing. Subject to any limitations in the Texas Local Government Code, the City may transfer surplus real property to AHFC for development for S.M.A.R.T. Housing without regard

to any restrictions on transfer of the real property prescribed by the City Code.”<sup>21</sup>

The City should fully enforce this pre-existing ordinance and create a property disposition structure in which AHFC has a right of first refusal for surplus City properties that are suitable for affordable housing. As the need for affordable housing rises, resources are constrained, and land is growing more expensive, discounted City-owned land can act as a significant subsidy for affordable housing development. This is one of the few opportunities the City has to subsidize affordable development at no additional cost; while there is an opportunity cost to the City in not selling this land for its full market value or utilizing the land to achieve other community benefits, the Strategic Housing Blueprint makes clear that the City needs to use all resources at its disposal to reach the needed number of affordable units over the next 10 years.

### **ACTION III.5.B: DEVELOP PROPOSALS, BIDS AND PARTNERSHIPS WITH OTHER PUBLIC ENTITIES WHO HAVE UNDERUTILIZED LAND.**

Public entities that own land in the City of Austin include the State of Texas, Travis County, Capital Metro, and school districts. All of these entities may have surplus or underutilized properties that are ready to be sold, or that can accommodate more intensive development than currently exists on the site. NHCD should work with the Capital Area Council of Governments and Capital Metro to convene meetings between these entities that focus on making use of surplus and underutilized properties to develop affordable, workforce, and mixed-income housing, particularly in areas near current and future high-frequency transit and in high-opportunity areas. The objectives of these meetings should include:

- Create a full and accurate inventory of publicly-owned land in the Austin region, including ownership, land use, surplus status, and presence of parking lots or other low-density or single-use facilities that could be intensified with housing and other beneficial uses.
- Within the inventory process, identify properties that are likely to score highly on applications

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<sup>21</sup> City of Austin ordinance no. 20071129-100, <http://www.austintexas.gov/edims/document.cfm?id=111622>

for sources of funding such as 9% Low-Income Housing Tax Credit applications through the Texas Department of Housing and Community Affairs.

- Create pathways for development guided by an overall vision and clear guidelines for community benefit, grounded in an understanding of the Austin market and long-term growth trajectories.
- Determine opportunities under Texas state law for agencies to dispose of public land below market value in return for community benefits and potential write-downs of land cost.
- Determine opportunities for AHFC and other regional affordable housing agencies to receive rights of first refusal to surplus public properties.

A quasi-public redevelopment authority, as described in **Action II.3.A**, could be a significant asset for developing multi-agency proposals, bids, and partnerships that are consistent with the established multi-agency vision.

### **ACTION III.5.C: BUILD AFFORDABLE HOUSING ON DEVELOPABLE PUBLIC LAND IN KEY LOCATIONS NEAR TRANSIT AND JOB CENTERS**

As discussed in **Action III.5.A** and **Action III.5.B**, affordable housing is a priority use for all City-owned land and should be prioritized for other public landowners as well. Areas near affordable housing and job centers should be particular priorities for new affordable housing development. **Action III.5.E** details opportunities for intensifying the use of existing public facilities, and sites near transit and job centers should be included in the near-term priority sites for this action item.

Stakeholders in the SHBI process noted that the City could provide an additional benefit to affordable housing developers by maintaining ownership of the land on which new developments are built and signing a ground lease with the developer. Reduced taxes for the property based on public ownership would help reduce affordable developments' long-term operating costs, which is a challenge for affordable housing projects nationwide. The City should consider requiring extended affordability periods from developers in exchange for this benefit.

### **ACTION III.5.D: PURCHASE STATE-OWNED LANDS AS THEY COME UP FOR SALE.**

The City has an option to put in a priority bid on state-owned properties when they come up for sale. However, in the past, the cost of these properties has been a barrier to bidding or to finalizing the purchase. A future housing bond could provide additional funding for land acquisition that could allow purchases of strategic state-owned properties in high-opportunity neighborhoods and areas of high or growing displacement risk. The City and CAPCOG should work to include the State in the coordinated public lands inventory and strategy group described in **Action III.5.B**. Using the inventory developed through this process, the City should develop an inventory of desired State-owned properties that may come up for sale in high-opportunity neighborhoods, or in areas with low current market pressure but anticipated future development. In the long-term, the City should pursue purchase of the strategic properties on this list if they become surplus to the State's needs.

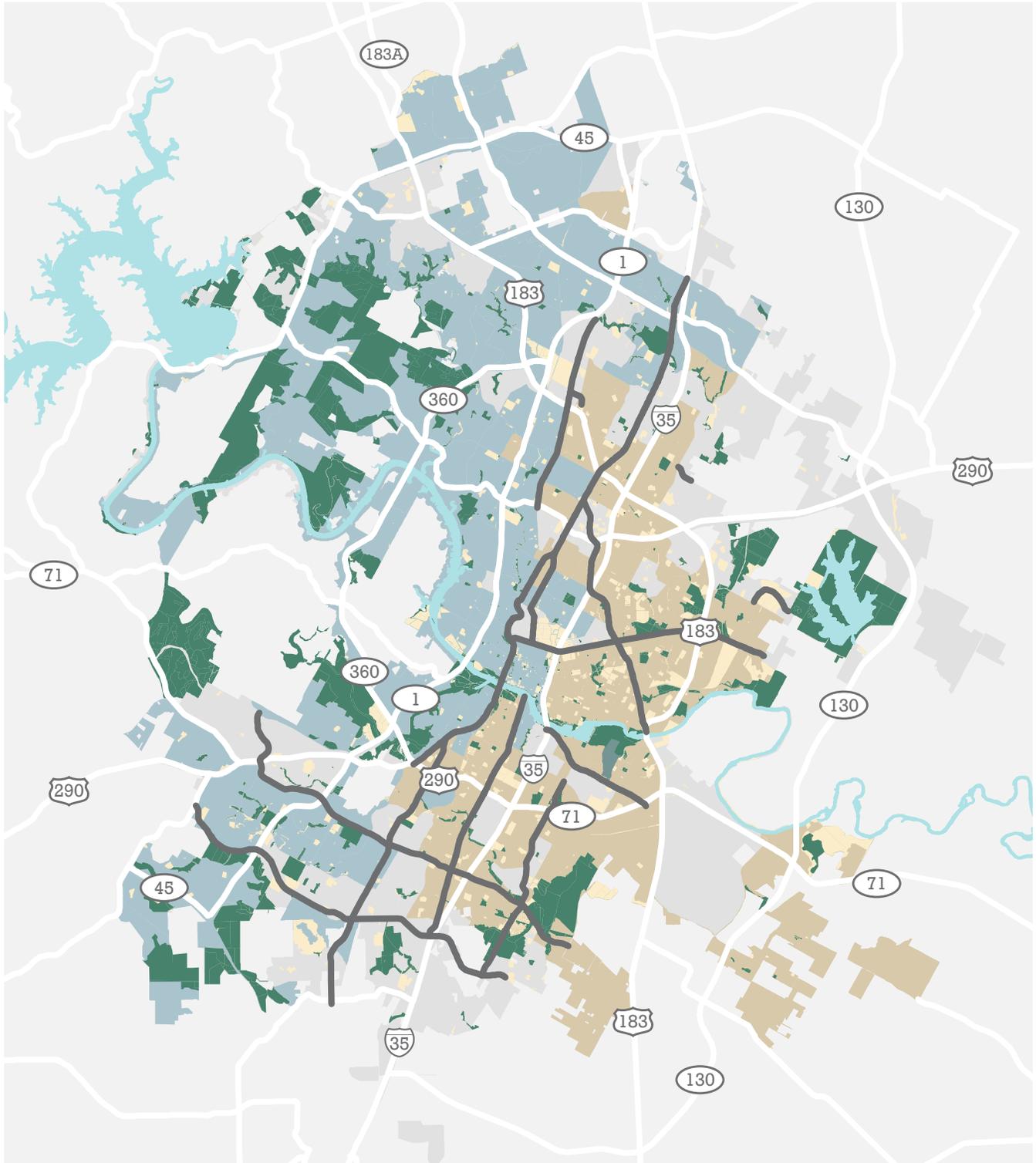
### **ACTION III.5.E: CO-LOCATE AFFORDABLE HOUSING WITH OTHER PUBLIC FACILITIES INCLUDING FIRE STATIONS, LIBRARIES, COMMUNITY CENTERS, OFFICES, ETC.**

During the SHBI workshops, stakeholders mentioned that co-location of affordable housing with other public services is a significant opportunity that the City should pursue in the near future. Many publicly-owned properties are on major corridors, accessible to transit, and in high-opportunity areas. However, many also have large surface parking lots, or are single-use, low-height buildings that could become mixed-use developments with public services in the future. To maximize the use of publicly-owned property for affordable housing, the City should:

- Create an inventory of all City-owned sites that could potentially accommodate more intensive development in the future.
- Based on this inventory, identify at least five near-term sites to study redevelopment scenarios which include at least 50% affordable housing. Redevelop these sites during the 10-year Blueprint period.

- Establish a policy that all public facilities reaching the end of their useful lives, or slated for deconstruction, should be evaluated for mixed-use redevelopment that incorporates affordable housing.
- As discussed in Action II.5.C, consider keeping land ownership public and establishing a ground lease in order to provide reduced taxes and long-term operating cost benefits to affordable housing developers, in return for extended affordability periods.
- Identify funding sources such as bond dollars, Housing Trust Fund dollars, or other resources that could support the development of affordable housing on these sites.

# Public Properties



- Current High Opportunity Areas
- Displacement Risk Areas
- Public Properties
- Parks and Preserves
- Mobility Bond Corridors



Source: Capital Area Council of Governments, Downloaded April 17, 2018. ; Mobility Bond Corridors, City of Austin, Downloaded November 9, 2017. ; Enterprise Opportunity360 Index, Downloaded March 28, 2018. ; Mueller, Elizabeth; Heather K. Way, and Jake Wegmann. UT Austin Gentrification Study. 2018, Downloaded March 30, 2018.

## OBJECTIVE III.6: UTILIZE TIFS FOR AFFORDABLE HOUSING

Austin is limited in the range of tools it can legally use to achieve affordable housing. Tax Increment Financing (TIF) for affordable housing is allowed by state law, but the law restricts the amount of property that can be included within TIF districts to 25% of a city's assessed value. **City policy should strive for a balanced approach enabling TIF policy to be an effective tool.** This is a critical tool that needs to start being utilized effectively.

### ACTION III.6.A: CREATE A RESPONSIBLE AND EFFECTIVE TIF PROGRAM.

State law allows for the establishment of Tax Increment Reinvestment Zones (TIRZs) which are functionally the same as tax increment financing districts (TIFs). TIFs work by setting a baseline value for all properties within a district, and then dedicating all incremental increases in taxes on properties in that district to specified improvements for an agreed-upon period of time. Generally, TIFs are meant to finance economic development-oriented improvements in "blighted" or "underdeveloped" areas. However, the



The Guadalupe Neighborhood Development Corporation's La Vista de Guadalupe is a 22-unit, six-story project overlooking downtown. La Vista provides housing for families whose incomes are at or below 30% or 50% M.F.I. This is the only new 100% affordable multi-family housing project in downtown Austin (source: City of Austin).

authorizing Texas statute also explicitly recognizes affordable housing as an eligible use of TIF funding, and notes that TIF districts may invest funding in affordable housing either inside or outside of the actual established geographic "zone" that constitutes the TIF district.<sup>22</sup>

The City currently has established a cap of 5% of its appraised value that can be included in TIFs, meaning that few new TIF revenues can be created while these four TIFs remain in existence. However, the City's current rapid growth implies that there may be a unique opportunity available to establish new TIFs that will generate funds for affordable housing and public improvements. Other Texas cities have higher or no caps on the total appraised value that can be included in TIF districts, including Dallas at 10%<sup>23</sup> and Houston without any cap. As of 2015, approximately 17% of Houston's appraised value was within TIF

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<sup>22</sup> Tax Code Title 3, Subtitle B, Chapter 311.010(b) states: "The board of directors of a [tax increment] reinvestment zone and the governing body of the municipality or county that creates a reinvestment zone may each enter into agreements as the board or the governing body considers necessary or convenient to implement the project plan and reinvestment zone financing plan and achieve their purposes. An agreement may provide for the regulation or restriction of the use of land by imposing conditions, restrictions, or covenants that run with the land. An agreement may during the term of the agreement dedicate, pledge, or otherwise provide for the use of revenue in the tax increment fund to pay any project costs that benefit the reinvestment zone, including project costs relating to the cost of buildings, schools, or other educational facilities owned by or on behalf of a school district, community college district, or other political subdivision of this state, railroad or transit facilities, affordable housing, the remediation of conditions that contaminate public or private land or buildings, the preservation of the facade of a private or public building, the demolition of public or private buildings, or the construction of a road, sidewalk, or other public infrastructure in or out of the zone, including the cost of acquiring the real property necessary for the construction of the road, sidewalk, or other public infrastructure. An agreement may dedicate revenue from the tax increment fund to pay the costs of providing affordable housing or areas of public assembly in or out of the zone.

<sup>23</sup> [http://dallascityhall.com/government/Council%20Meeting%20Documents/ecohou\\_4\\_reviewoftaxincrementfinancingpolicyandapplicabilityforencouragingmixedincomehousing\\_combined\\_02012016.pdf](http://dallascityhall.com/government/Council%20Meeting%20Documents/ecohou_4_reviewoftaxincrementfinancingpolicyandapplicabilityforencouragingmixedincomehousing_combined_02012016.pdf)

districts.<sup>24</sup> NHCD should work with the Finance, Law, and Planning and Zoning Departments and Corridor Program Office to consider revising the total cap on City assessed value that can be included in TIF districts from 5% to 10% in total, consistent with practices and policies in other Texas cities, in order to leverage the rapid growth that is also causing displacement and strains on Austin’s low-income households into both infrastructure and affordable housing.

Currently, the Austin Finance Department is reviewing opportunities to increase the use of TIFs for affordable housing, pursuant to City Council Resolution 20180301-023. The results of this study will inform any modification of the City’s TIF policy. Based on an examination of other cities’ TIF policies, some opportunities may include:

- Consider revising the total cap on City assessed value that can be included in TIF districts, consistent with practices and policies in other Texas cities, in order to leverage the rapid growth that is also causing displacement and strains on Austin’s low-income households into both infrastructure and affordable housing.
- Examine the possibility that the City should establish a consistent percentage of TIF revenue that must be invested in affordable housing for all new TIFs. San Antonio requires that some of its TIFs invest 20% of revenue in affordable housing; in Houston, “petition” TIF districts established by petition of property owners must contribute one-third of their revenue to a citywide affordable housing fund; and Dallas requires that 20% of all TIF-funded housing must be affordable. Based on comparative research to these other Texas cities’ practices, it appears possible for Austin to mandate that a percentage of all new TIF revenue must be invested in affordable housing. The Austin Finance Department study will inform this conclusion.

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<sup>24</sup> <https://www.houstonchronicle.com/news/houston-texas/houston/article/TIRZ-funds-create-predicament-for-cash-hungry-city-6007229.php>

## **OBJECTIVE III.7: UTILIZE SOCIAL IMPACT BONDS/ PAY FOR SUCCESS MODELS FOR PEOPLE EXPERIENCING HOMELESSNESS**

The use of social impact bonds, also known as social impact finance or Pay for Success, is a method of **funding social services in which private investors provide upfront funding to high-performing providers delivering effective services to targeted populations**, with reimbursement by governments when cost reductions are evidenced. A coalition of community partners will **implement pilot projects** targeting people experiencing homelessness who are also frequent users of the criminal justice and emergency medical systems, through Permanent Supportive Housing and other supportive services. The five-year project could result in cost avoidance worth millions of dollars across the health care, criminal justice, and social service systems.

### **ACTION III.7.A: A COALITION OF COMMUNITY PARTNERS WILL IMPLEMENT PILOT PROJECTS TARGETING PEOPLE EXPERIENCING HOMELESSNESS WHO ARE ALSO FREQUENT USERS OF THE CRIMINAL JUSTICE AND EMERGENCY MEDICAL SYSTEMS, THROUGH PERMANENT SUPPORTIVE HOUSING AND OTHER SUPPORTIVE SERVICES.**

ECHO (Ending Community Homelessness Coalition), Austin’s Continuum of Care organization, published the *Action Plan to End Homelessness* in 2018. This plan, which was endorsed by the City Council, outlines actions related to five key areas: Outreach and Shelter, Housing and Support Services, Addressing Disparities, Effective System Response, and Community Commitment. The plan details a variety of actions to support these areas, outlining vision, challenges, actions, and outcomes. One recommended action includes implementation of the Pay for Success funding model, which utilizes private investment to scale up provider capacity to offer Permanent Supportive Housing. If certain predetermined metrics are achieved through this investment, local government makes a “success” payment back to the investors (but this

payment only occurs if the efforts are successful according to mutually agreed-upon metrics).

ECHO successfully competed for two national grants to launch this initiative and expects to complete the transaction negotiations and capital raise by March of 2019. Beginning in April 2018, with funding from the City and St. David’s Foundation, ECHO is piloting the intensive service provision and housing location to the intended target population, which includes “frequent users of criminal justice and emergency healthcare systems.” By reducing the number of times that homeless residents interact with criminal justice and emergency health care, the ECHO-led initiative can both help reduce costs related to homelessness while ensuring that the formerly homeless residents receive safe, dignified housing and necessary services. ECHO chose Abt & Associates as the third-party evaluator for the project; Abt will provide an objective determination on whether the project meets its success metrics. Successful Permanent Supportive Housing benefits the clients as well as the many systems with which they had been interacting heavily – including Travis County jail, Travis County courts, the Austin Police Department, local hospitals, and social service providers.



*Deeply affordable units, such as those at Capital Studios, are needed for people who both need and do not need permanent supportive services (source: City of Austin).*

## OBJECTIVE III.8: UTILIZE THE NATIONAL HOUSING TRUST FUND

The National Housing Trust Fund (NHTF) is a dedicated fund intended to provide revenue to build, preserve, and rehabilitate housing for people with the lowest incomes. The NHTF provides communities with funds to **build, preserve, and rehabilitate rental homes that are affordable for very low and extremely low-income households**. It is recommended that the City of Austin work with the Texas Department of Housing and Community Affairs (TDHCA) to **ensure that state priority needs and target populations** are more narrowly and clearly defined in the Five Year State Consolidated Plan.

### ACTION III.8.A: CLEARLY AND MORE NARROWLY DEFINE STATE PRIORITY NEEDS AND TARGET POPULATIONS IN THE FIVE YEAR STATE CONSOLIDATED PLAN.

The National Housing Trust Fund was established in 2016; the fund provides formula grants to states to address the needs of extremely low-income households (0-30% MFI). While these formula grants are small (less than \$5 million per year for the entirety of Texas), they provide a critical source of funding for addressing the needs of these families and individuals.

The State of Texas completes a Consolidated Plan every five years, which establishes criteria for allocating National Housing Trust Fund dollars to different local jurisdictions based on a variety of metrics. The last Consolidated Plan covers the years 2015-2019, and will need to be renewed in 2019-2020. This Consolidated Plan uses Austin as an example of a city where housing affordability has decreased, and noted that local economies are a key driver of housing affordability issues statewide.<sup>25</sup> However, the existing Consolidated Plan uses a geographic formula that splits the small NHTF allocation among thirteen State Service Regions according to the ratio of extremely low-income renters compared to the total population of renters. This ratio calculation disadvantages urban areas that may have larger absolute numbers of extremely

low-income renters, but also have larger renter populations in total. In addition, splitting a less-than-\$5-million allocation thirteen ways leaves an average of approximately \$380,000 per region, which is a very small amount to serve an extremely low-income population that needs large amounts of subsidy per unit. The City has an opportunity to work with TDHCA to better define target populations and priorities in the Consolidated Plan update process in order to make the best possible use of limited funds. Some opportunities include:

- Emphasizing services for specific populations such as youth aging out of foster care, veterans, or families with minor children.
- Allow developers to apply for funds directly (similar to the LIHTC process) and provide funding to projects that have significant local commitments of leveraged funds, or projects that provide particularly needed services as indicated above.
- Prioritizing funding to jurisdictions that have experienced significant declines in housing affordability or increases in the number of cost-burdened residents.

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<sup>25</sup> Texas Department of Community Affairs, 2015, "2015-2019 Texas State Consolidated Plan," <https://www.tdhca.state.tx.us/housing-center/docs/15-19ConPlan-SubAmendment.pdf>

## **OBJECTIVE III.9: SUPPORT THE CREATION OF DEEPLY AFFORDABLE UNITS SERVING PEOPLE AT 20% MFI AND BELOW**

The term “deep affordability” refers to the level of affordability needed to serve extremely low-income households. **Focusing resources and funding on housing that is affordable to this income bracket would ensure that the most vulnerable receive assistance in obtaining housing.** However, in order to achieve rents affordable to households in this extremely low-income bracket, **more funding is required per household than for assistance targeted to higher income households**, especially in light of the fact that some of these households may not have rental subsidies to help them pay rent. Resources like the Housing Authority of the City of Austin’s Housing Choice Voucher (Section 8) program are in high demand, with the number of applicants far exceeding the number of available vouchers.

### **ACTION III.9.A: FOCUS RESOURCES AND FUNDING ON HOUSING THAT IS AFFORDABLE TO THIS INCOME BRACKET (20% MFI).**

**Actions III.7.A, III.8.A, III.10.A, and III.10.B** focus on assisting homeless and extremely low-income residents, many of whom fit into the below-20% MFI income bracket. In addition to these actions, the Blueprint establishes a goal of serving at least 20 people without a voucher and under 20% MFI each year in non-permanent supportive housing. Stakeholders in the SHBI process noted that they are seeing an increasing number of families and individuals in this income bracket seeking housing assistance who do not need traditional permanent supportive housing, which assumes that residents will not be able to live independently in the future. Rather, as incomes and housing costs in the city and region climb, and funding for subsidies like Housing Choice Vouchers does not increase, some of these families are being left behind. Many need housing and job placement assistance, or housing and educational assistance, rather than permanent supportive services.

The task of serving these extremely low-income families with deeply affordable housing is a difficult

one to complete, especially because developments that serve this income bracket need significant subsidy to meet their long-term operating costs as well as their up-front development costs. One recent Austin development that stakeholders praised is the Jeremiah Program, which opened in 2017 with 35 units. This development focuses on supporting single mothers to finish their college degrees by providing deeply affordable housing, early childhood education for children, and coaching and life-skills training for mothers. In order to continue constructing this type of best-practice project for extremely low-income people, the City should:

- Continue to seek out and subsidize developments that are supported by non-profits with successful track records serving extremely low-income families
- Support efforts to attract additional national non-profits like the Jeremiah Program to build successful developments in Austin.
- Consider key demographics that could be served with non-permanent supportive housing, such as refugees, and partner with philanthropic institutions to grow funding to serve these populations.
- Advocate at the federal level to increase dollars available through the Housing Choice Voucher program.

## OBJECTIVE III.10: SUPPORT EFFORTS TO PREVENT AND END HOMELESSNESS

Permanent Supportive Housing (PSH) is housing for extremely low-income people at or below 30% MFI (\$24,300 or less for a 4-person household in 2016) with **voluntary supportive services available, and targets households that are experiencing chronic homelessness and have multiple barriers to housing stability** (such as substance abuse issues, no income, medical or mental health issues, etc.). Housing First PSH focuses on quickly housing people who are experiencing homelessness, and then providing support services as needed. Core elements of the model include lower screening criteria regarding sobriety, criminal history, credit history, or other behaviors generally held to indicate a lack of “housing readiness.” All newly created PSH is expected to align with the local Continuum of Care’s Coordinated Assessment system to ensure those households identified as most vulnerable are prioritized. Working with private landlords to accept chronically homeless residents is one way to increase the supply of PSH. **Different funding sources can be layered or leveraged together** to fund new PSH units as well, including funding from the Housing Trust Fund, Low Income Housing Tax Credits, and Pay for Success models. **This type of layering is especially effective for PSH development, due to these units’ deep affordability, which requires a greater subsidy than units focused on residents at higher MFI levels.** Other programs that provide housing and supportive services for residents who may not need PSH but are still experiencing homelessness would also benefit from increased funding, due to high demand that will continue to outstrip the resources available. One example of this type of program is Best Single Source (BSS) Plus, which provides comprehensive case management and basic needs services to individuals and families so they can establish housing and financial stability. Maintaining funding for services foundational to homelessness prevention is a critical continued action in the Blueprint.

**ACTION III.10.A: CONTINUE TO EXPAND THE INVENTORY OF UNITS WITH LOWER SCREENING CRITERIA REGARDING SOBRIETY, CRIMINAL HISTORY, CREDIT HISTORY, OR OTHER BEHAVIORS GENERALLY HELD TO INDICATE A LACK OF “HOUSING READINESS.”**

The Blueprint sets a community goal to produce 100 permanent supportive housing units per year, with half being Housing First, within the City of Austin. Over 10 years, if successful, this goal will add an additional 1,000 permanent supportive housing units, with at least 500 Housing First units; the local Continuum of Care administrative organization noted that all permanent supportive housing developers will operate their units on Housing First principles. These units can support residents who have significant challenges with physical and mental health and may need higher levels of assistance and services. In order to meet the goal of producing 100 units of permanent supportive housing per year, the City is re-setting scoring criteria for its Rental Housing Development Assistance funding program to include goals for funding 0-30% MFI units in each council district, and ensuring that all City-funded permanent supportive housing units will meet the definition of permanent supportive housing established by local Continuum of Care organizations.

In addition to Housing First units, the Austin housing community should also work to support homeless families who do not need permanent supportive housing and in-depth services. Many families and individuals are unable to access housing due to poor credit, criminal histories, or other impeding factors that keep them out of traditional rental housing. To mitigate these issues:

- The City should ensure reasonable look-back procedures for all publicly-supported properties, as described in Action II.6.A, in order to enhance availability of housing for formerly incarcerated people.
- The City should work with HACA to examine all possible ways of expanding the voucher program in order to accommodate families in need. In 2018, HACA expects to receive up to 20,000 applications for just 2,000 available slots on the voucher waitlist.<sup>26</sup>
- In addition, the City should examine credit requirements required for all publicly-supported properties and consider implementing a requirement that these properties use a combined evaluation of cash flow and credit score, rather than credit score alone.

<sup>26</sup> <http://www.austintexas.gov/news/housing-authority-re-opens-waitlist-housing-choice-voucher-program>

### **ACTION III.10.B: WORK WITH PRIVATE LANDLORDS TO ACCEPT CHRONICALLY HOMELESS RESIDENTS.**

Austin's *Action Plan to End Homelessness*, created by the Ending Community Homelessness Coalition (ECHO), details a variety of actions, including working with private landlords to accept chronically homeless residents, that are currently underway. These actions strive to create low-barrier, low-cost housing opportunities within the current rental market by:

- Increasing flexible funding to incentivize landlords to house people exiting homelessness.
- Providing Landlord Outreach Specialists to negotiate with landlords so people are not evicted, to identify new housing opportunities to avoid a return to homelessness, and to resolve housing conflicts.
- Developing a community understanding of maintaining landlord relationships through training and staffing support.
- Educating landlords to improve access to housing opportunities for persons with criminal background.<sup>27</sup>
- Negotiating lower criminal screening barriers.

Ongoing public and private funding and support for these efforts will be necessary to ensure that this plan can be implemented on an ongoing basis.

### **OBJECTIVE III.11: FOCUS FEDERAL FUNDS IN HOUSING INVESTMENTS**

The City of Austin receives federal formula grants from the U.S. Department of Housing and Urban Development (HUD) each fiscal year. Federally-required five-year Consolidated Plans and annual Action Plans identify priority community needs and recommend use of HUD funding. **Federal funding should be focused and leveraged to achieve the goals in the Austin Strategic Housing Blueprint.** This includes continuing to leverage federal dollars through all available funding sources, targeting current and future federal assistance for housing needs.

#### **ACTION III.11.A: CONTINUE TO LEVERAGE FEDERAL DOLLARS THROUGH ALL AVAILABLE FUNDING SOURCES, TARGETING CURRENT AND FUTURE FEDERAL ASSISTANCE FOR HOUSING NEEDS.**

Some federal formula grant dollars that the City receives, such as dollars through the HOME Investment Partnership Program (HOME) or the Housing Opportunities for Persons with HIV/AIDS (HOPWA) program, are explicitly dedicated to housing. However, the Community Development Block Grant (CDBG) funds that the City receives can be used for multiple purposes, from housing to public services to economic development. CDBG is a highly valuable funding source for achieving Blueprint goals because it is flexible and can be allocated to serve the greatest housing needs in any given year. This enables CDBG to attract more leverage dollars for housing projects, because these dollars can fill financial gaps in a variety of development projects. Some of the ways that CDBG can be used, where other dollars cannot, include:

- Seeding initial capital for the “revolving loan fund” described in Action III.4.A. Revolving loan funds are an allowable use of CDBG dollars, in contrast to other formula grant funds that must be spent down each year.
- Funding direct social services for low- and moderate-income people, which can help provide supportive services within housing developments.

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<sup>27</sup> <http://www.austintexas.gov/edims/document.cfm?id=296578>

- Providing matching dollars for other federal sources like HOME, which requires a 25% local match. CDBG is the only federal source that can be used as matching funds in this way.

In order to meet the Blueprint’s ambitious housing production and preservation goals, the City should dedicate all or most of its CDBG funds to affordable housing programs for the next 10 years. In FY2016-17, 72.7% of the City’s CDBG funds were used to fund housing efforts; therefore, establishing a goal to utilize at least 75% of the City’s CDBG funds for housing during each of the next 10 years appears reasonable.

Stakeholders also discussed whether the administration of CDBG programs should be regionalized; some municipalities in the region have only recently become large enough to get their own CDBG allocation, and could benefit from Austin’s experience in effectively putting these dollars to work. NHCD should examine this option to determine whether it would assist in meeting Blueprint goals and/or easing regional housing pressures in the long run.



*The Retreat at North Bluff was financed as a S.M.A.R.T. housing project, receiving financing from the U.S. Department of Housing and Urban Development’s HUD 221 (d) (4) loans (source: City of Austin).*

## OBJECTIVE III.12: INCENTIVE PROGRAMS

**Explore all possible mechanisms**, including those requiring legislative changes, to incentivize the development of income-restricted affordable housing through fee waivers, including impact fees. Identify all current fees and potential future fees. **Build upon the success of existing systems** to incentivize the production of affordable housing such as the S.M.A.R.T. Housing Program and Planned Unit Development (PUD) zoning process that utilize fee waivers to produce income-restricted affordable housing.

### **ACTION III.12.A: EXPLORE ALL POSSIBLE MECHANISMS, INCLUDING THOSE REQUIRING LEGISLATIVE CHANGES, TO INCENTIVIZE THE DEVELOPMENT OF INCOME-RESTRICTED AFFORDABLE HOUSING THROUGH FEE WAIVERS. IDENTIFY ALL CURRENT FEES AND POTENTIAL FUTURE FEES.**

The City of Austin waives permit fees and water/wastewater capital recovery fees for developments that NHCD has certified as S.M.A.R.T. Housing. The amount of these combined fee waivers is highest for single-family subdivisions, at approximately \$9,750 or more per unit. Multi-family development total waiver amounts vary significantly, but remain substantial.<sup>28</sup>

During the SHBI process, some stakeholders expressed a desire to increase the attractiveness of the S.M.A.R.T. Housing program by exempting all units in mixed-income projects from Austin Water capital recovery fees. However, expanding the capital recovery fee waivers to all units in a S.M.A.R.T. Housing development would require amendments to State law. Additionally, such an approach may impact Austin Water’s annual budget and long-term sustainability.

NHCD should spearhead a Fee Analysis with all other City departments and public agencies involved in the development process, including Austin Water, Austin Energy, Development Services, Planning and Zoning, Economic Development, Watershed Protection, Law, and Code, to create an inventory of all current fees and/or future fees under consideration that could be waived. This analysis should occur as part of the

<sup>28</sup> NHCD Staff Input.

broader restructuring and updating of the S.M.A.R.T. Housing program described in **Action IV.6.A.**

## **OBJECTIVE III.13: EXPAND THE SUPPLY OF HOUSING FOR PEOPLE WITH DISABILITIES**

While residents with disabilities can be found in any income category, those who earn at or below 30% MFI face unique challenges to obtaining housing that is affordable and meets their needs. While Permanent Supportive Housing may be the right choice for some individuals (including those that have experienced chronic homelessness and who have multiple barriers to housing), **accessible housing units that are not linked to supportive services may be more appropriate for other households.** To that end, this Housing Blueprint includes a goal of creating 20,000 housing units affordable to people making at or below 30% MFI (see page 16). 100% of ground floor units that are funded by the City (through the Neighborhood Housing & Community Development Office or the Austin Housing Finance Corporation) will be adaptable and 25% will be accessible. For units not funded by the City, federal Fair Housing Act requirements apply. For new buildings with four or more housing units, all units must meet Fair Housing Act requirements if the building has an elevator. If the building does not have an elevator, all ground floor units must comply with the Act's requirements. This means that these "covered units" must be accessible to and usable by people with disabilities. New single family homes and duplexes must also comply with the City's visitability ordinance, which mandates that at least one building entrance and ground floor bathrooms and light switches/ environmental controls must be accessible to people with mobility disabilities.

### **ACTION III.13.A: CREATE 20,000 HOUSING UNITS AFFORDABLE TO PEOPLE MAKING AT OR BELOW 30% MFI.**

The Blueprint notes that persons with disabilities can fall into any income bracket, but that low-income persons with disabilities are especially vulnerable due to the lack of quality, accessible housing stock that is deeply affordable. All new housing units that are affordable to extremely low-income residents (30% MFI = less than \$24,400 annually for a family of four in 2017) will almost certainly require some degree of City subsidy. Therefore, the City can ensure that the 20,000 housing units proposed for residents making 30% MFI or below include a significant number of accessible and adaptable units, as specified in **Action**

**III.13.B.** In addition, the City can coordinate home repair programs (see **Action I.4.B**) to serve households earning less than 30% MFI who need disability adaptations in their homes, thereby preserving tenants and homeowners in place, and creating more accessible housing stock for the future.

**ACTION III.13.B: 100% OF GROUND FLOOR UNITS THAT ARE FUNDED BY THE CITY WILL BE ADAPTABLE AND 25% WILL BE ACCESSIBLE.**

The terms “adaptable” and “accessible” units are defined by the Fair Housing Act. According to the Center for Universal Design at North Carolina State University, “In an adaptable dwelling, wide doors, no steps, knee spaces, control and switch locations, grab bar reinforcing and other access features must be built in. Grab bars, however, can be omitted and installed when needed.”<sup>29</sup> The Center for Universal Design notes that many non-disabled people prefer not to live in accessible units because the appearance of clinical grab bars can be off-putting; omitting the grab bars, but including the reinforcing needed to install them later, makes transforming an adaptable unit into an accessible unit cheap and easy.

Through the Blueprint, the City has set a policy that 100% of ground-floor units in developments that use City funding will be adaptable, and 25% will be accessible. NHCD should work with Development Services to communicate which projects have City funding in order to ensure that this policy is enforced, and to ensure that development review includes tracking of the total number of accessible and adaptable units generated over time.



*Foundation Communities developed the Skyline Terrace Apartments, which include 100 furnished efficiency units with on-site support for residents making between 30% and 50% MFI (source: City of Austin).*

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<sup>29</sup> Center for Universal Design, “Definitions: Accessible, Adaptable, and Universal Design,” [https://projects.ncsu.edu/design/cud/pubs\\_p/docs/Fact%20Sheet%206.pdf](https://projects.ncsu.edu/design/cud/pubs_p/docs/Fact%20Sheet%206.pdf).

# COMMUNITY VALUE IV: CREATE NEW AND AFFORDABLE HOUSING CHOICES FOR ALL AUSTINITES IN ALL PARTS OF AUSTIN

Community Value IV focuses on shaping City policy to more effectively promote affordable housing development. This includes defining geographic goals for affordable housing production in order to better inform future policy changes and investment opportunities. It also includes shaping the City's regulatory structure -- zoning and density bonuses, permitting processes, building codes, and programs like S.M.A.R.T. Housing -- to more efficiently facilitate affordable development and meet the City's needs for smaller units and mid-density housing products.

The geographic goals for housing production by Council district in this section are based on a detailed analysis that delineates areas of high opportunity; gentrifying areas; areas within Imagine Austin Centers and Corridors; areas proximate to high-frequency transit; and areas that currently have few income-restricted housing options. This methodology is further detailed in the companion document to this implementation plan, the SHBI *Atlas of Existing and Historical Conditions*.



*The Wildflower Terrace Senior Apartments offer affordable and accessible units in Mueller (source: City of Austin).*

## OBJECTIVE IV.1: ADOPT AFFORDABLE HOUSING GOALS TO GUIDE POLICY\*

This objective includes a number of affordable housing goals defined by the Strategic Housing Blueprint as 10-year targets. These include the following Actions:

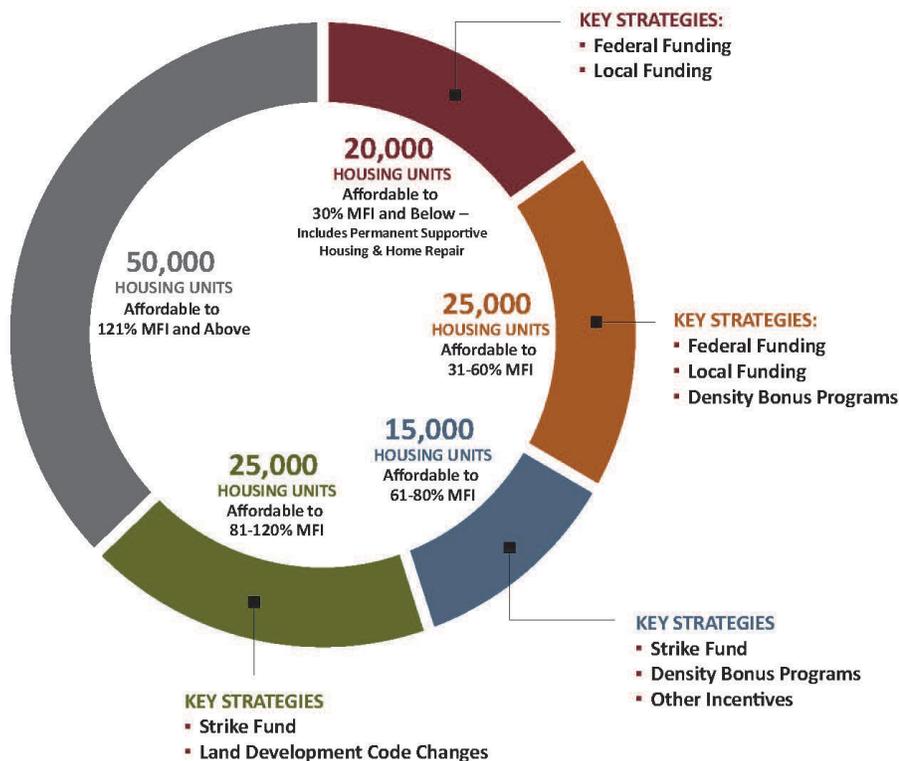
- Action IV.1.A: At least 25% of **new income-restricted affordable housing** should be in high opportunity areas.
- Action IV.1.B: 25% of affordable housing created or preserved to be within ¼ mile of **high-frequency transit** (this is transit service that provides service every 15 minutes or better throughout most of the day, on weekdays and weekends).
- Action IV.1.C: At least 75% of new housing units should be within **1/2 mile of Imagine Austin Centers and Corridors**.
- Action IV.1.F: Develop 135,000 housing units at **specified income levels to meet housing needs**, as shown in the chart below.

These Blueprint-specified actions are already measurable and can be monitored and tracked over the next 10 years. In addition, based on recent efforts to mitigate displacement in the City of Austin, the City Council requested that a measurable goal be set for housing production in gentrifying areas as defined by the 2018 University of Texas study, *Uprooted: Residential Displacement in Austin’s Gentrifying Neighborhoods and What Can Be Done About It*.<sup>30</sup>

<sup>30</sup> <https://sites.utexas.edu/gentrificationproject/>

### AUSTIN COMMUNITY 10-YEAR AFFORDABLE HOUSING GOALS

135,000 HOUSING UNITS IN 10 YEARS



As noted in the chart on the previous page, the Strategic Housing Blueprint set the goal of creating 60,000 housing units affordable to households at 80% median family income (MFI) and below by 2027. The City Council requested more understanding on where these affordable units should be prioritized geographically. In order to set geographic housing production goals, the Strategic Housing Blueprint Implementation team examined several of the key variables that the Blueprint highlights as important geographic factors for the placement of affordable housing: high opportunity areas; high-frequency transit corridors; Imagine Austin centers and corridors; areas of high displacement risk (gentrifying areas); and the geographic dispersion of existing affordable housing units. These variables directly relate to the 10-year citywide targets of the Strategic Housing Blueprint.

For each Council district, the team examined the prevalence of positive factors for the location of affordable housing such as land area within high-opportunity areas, access to high-frequency transit, and lack of existing affordable housing in the district. The final suggested distribution of the 60,000 units by Council district is shown in the table at right, and the methodology for allocating these units is described in the four points below.

### **1. HIGH OPPORTUNITY AREAS**

In order to maximize the benefits and opportunities available to residents of the newly constructed units, 15,000 units, or 25% of the total, were allocated across the council districts based on the distribution of High Opportunity Areas, as defined by the Enterprise Community Partners Opportunity360 database (see “Opportunity Index,” pg 8). For example, a council district with 28% of High Opportunity Areas in the city was then allocated 28% of the 15,000 units for this category.

### **2. HIGH-FREQUENCY TRANSIT AND IMAGINE AUSTIN CENTERS AND CORRIDORS**

Keeping in mind the importance of the ability to access vital resources such as jobs and services once lower-income residents are placed in affordable housing, another 15,000 units were allocated across the council districts based on their access to transit and transit-oriented centers. This was determined by determining the distribution of areas which are within a quarter-

mile of High Frequency Transit (HFT) corridors or within a half-mile of Imagine Austin Centers and Corridors. For example, a council district with 6% of HFT and Imagine Austin Areas was then allocated 6% of the 15,000 units for this category.

### **3. HIGH DISPLACEMENT RISK AREAS**

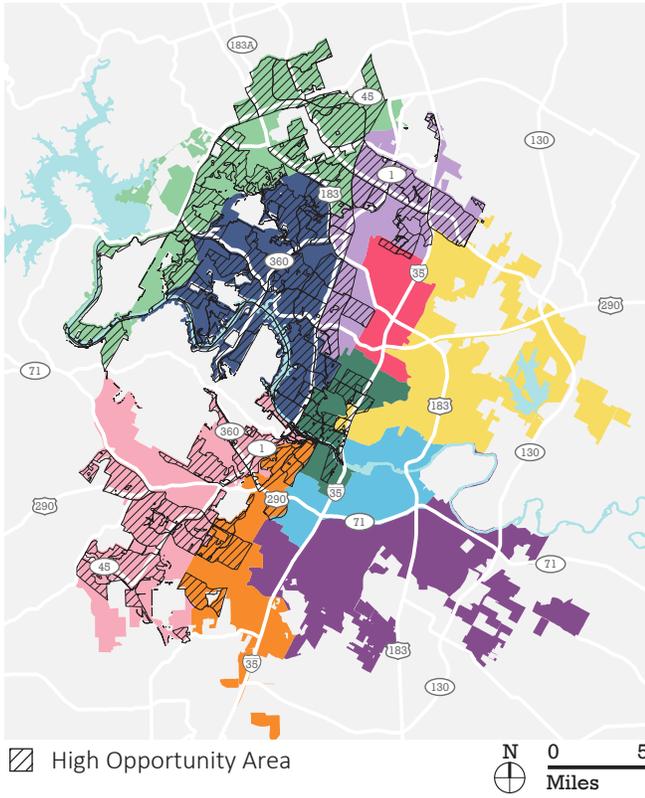
Given the concerns around displacement and gentrification, the additional affordable units will also be used to counteract the displacement that is occurring in the status quo. The University of Texas has identified areas experiencing displacement (see “Displacement Risk Index,” pg 36), and the council district’s allocation of these areas were used to disperse the housing units. For example, a council district with 5% of all gentrifying areas in the city were then allocated 5% of the 15,000 units for this category.

### **4. GEOGRAPHIC DISPERSION OF AFFORDABLE HOUSING**

In addition to the considerations mentioned above, an effort was made to avoid creating concentrations of low-income housing units in certain council districts. Therefore, the final 15,000 units were dispersed based on the geographic distribution of existing affordable housing units across the 10 council districts. With the goal of evening out the unit count across council districts, districts with higher shares of existing units were allocated fewer units, while districts with lower shares of existing units were allocated more units.

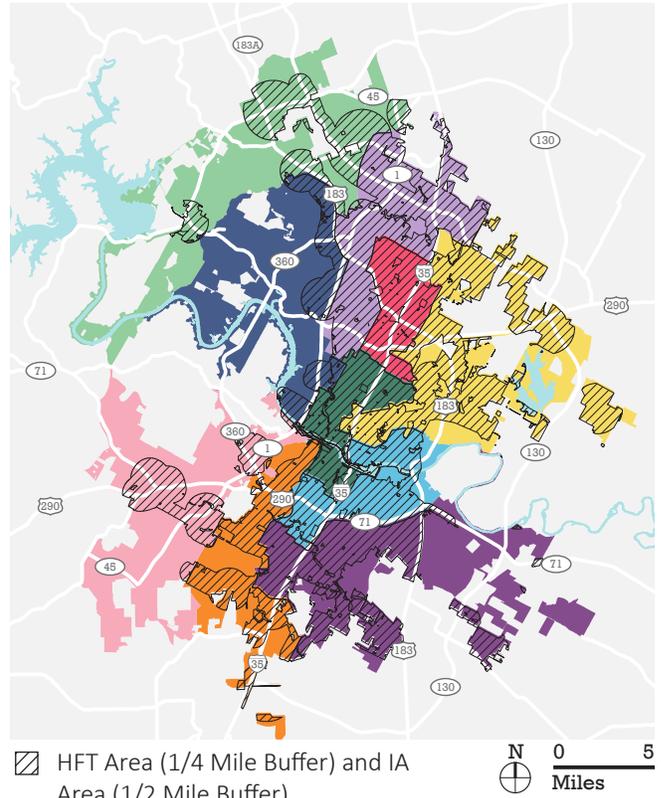
The maps to the right illustrate the overlap between each council district and the areas of high opportunity, areas of high-frequency transit, and Imagine Austin Centers and Corridors. The final allocation of the 60,000 affordable housing units can be seen in the table on the opposite page.

### High Opportunity Areas



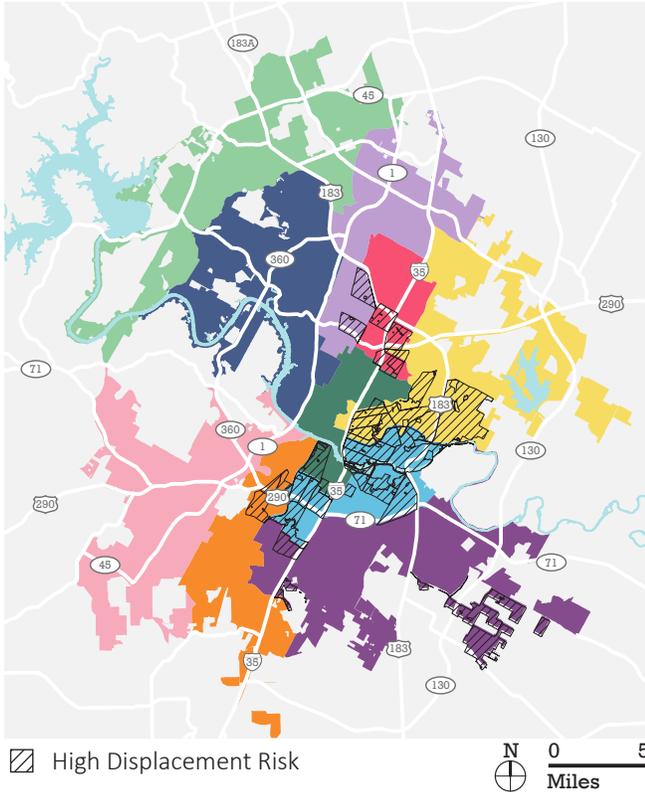
Source: Enterprise Opportunity360 Index, Downloaded March 28, 2018.

### High-Frequency Transit and Imagine Austin Centers and Corridors



Source: June 2018 Transit Data, Capital Metro, Downloaded May 23, 2018. City of Austin, Downloaded September 25, 2018.

### High Displacement Risk Areas



Source: UT Center for Sustainable Development in the School of Architecture & the Entrepreneurship and Community Development Clinic in the School of Law, Downloaded May 25, 2018.

District	Distribution of Affordable Units
1	7,086
2	4,492
3	6,295
4	3,105
5	4,473
6	8,590
7	6,651
8	7,217
9	3,635
10	8,456
	60,000

# COUNCIL DISTRICT GOALS

## High Opportunity Areas

### 15,000 UNITS

of affordable housing will be placed in areas of Higher Opportunity. These areas have high measures of upward mobility and positive socioeconomic outcomes for existing residents in the area.

**Methodology Note:** Parks, preserves, and the airport were excluded from overall high-opportunity areas.

Income Levels	Unit Distribution
0–30% MFI	5000
31–60% MFI	6250
61–80% MFI	3750
	15000

District	Unit Distribution
1	87
2	0
3	0
4	49
5	973
6	4,165
7	2,265
8	2,781
9	676
10	4,005
	15,000

## High-Frequency Transit and Imagine Austin Centers and Corridors

### 15,000 UNITS

of affordable housing will be placed in areas which are a quarter-mile within High-Frequency Transit (HFT) routes or a half-mile within Imagine Austin Centers and Corridors, which are future transit-oriented, mixed-use centers of activity connected by walking, bicycling, transit, or automobile.

**Methodology Note:** Parks, preserves, and the airport were excluded from HFT routes and Imagine Austin Centers and Corridors.

Income Levels	Unit Distribution
0–30% MFI	5000
31–60% MFI	6250
61–80% MFI	3750
	15000

District	Unit Distribution
1	2,742
2	2,100
3	1,315
4	1,018
5	1,289
6	1,388
7	2,316
8	928
9	1,055
10	848
	15,000

## High Displacement Risk Areas

### 15,000 UNITS

of affordable housing will be placed in High Displacement Risk Areas, as defined in “Uprooted,” a report by researchers at the University of Texas at Austin on gentrification and displacement.

**Methodology Note:** High Displacement Risk Areas in this document are those Census Tracts categorized as Early, Dynamic, Late, and Continued Loss in the UT study. Parks, preserves, and the airport were excluded.

Income Levels	Unit Distribution
0–30% MFI	5000
31–60% MFI	6250
61–80% MFI	3750
	15000

District	Unit Distribution
1	4,257
2	2,392
3	4,980
4	1,120
5	756
6	0
7	771
8	0
9	724
10	0
	15,000

## Geographic Dispersion of Affordable Housing

### 15,000 UNITS

of affordable housing will be placed according to the current geographic dispersion of affordable housing units within the ten council districts with the goal of providing maximum geographic dispersion of subsidized affordable units across the city. Districts which currently have fewer units receive a higher proportion of the 15,000 units.

**Methodology Note:** Currently there are a total of 34,712 units in the city. Adding 15,000 units to this total and then dividing by 10 suggests that the goal should be to get each district as close to 4,971 total subsidized units as possible.

Income Levels	Unit Distribution
0–30% MFI	5000
31–60% MFI	6250
61–80% MFI	3750
	15000

District	Unit Distribution
1	0
2	0
3	0
4	918
5	1,454
6	3,037
7	1,300
8	3,507
9	1,180
10	3,604
	15,000

## **OBJECTIVE IV.2: IMPLEMENT CONSISTENT DENSITY BONUS PROGRAMS FOR CENTERS AND CORRIDORS\***

Several of Austin’s existing density bonus programs (University Neighborhood Overlay, Vertical Mixed Use, etc.) have **successfully leveraged new development** to create units affordable for households earning between 60% and 80% MFI, depending on the program (see Figure 10). This is consistent with Imagine Austin Land Use Transportation (LUT) Policy 10 and Housing and Neighborhoods (HN) Policy 4. The revised Land Development Code **should implement a consistent density bonus program for Imagine Austin Activity Centers and Corridors where larger buildings are deemed acceptable.** These centers and corridors allow people to reside, work, shop, access services, and recreate without traveling long distances. Economic modeling should be conducted in concert with future Land Development Code changes to determine where such programs would be financially feasible while also producing affordable housing benefits. Any increase in development capacity should be tied to an affordability requirement. The City should incentivize and provide additional opportunities for housing units with two bedrooms or more, particularly in high opportunity areas. The existing density bonus programs have resulted in income-restricted affordable units in high opportunity areas along transit corridors with no subsidy by the City of Austin.

### **ACTION IV.2.A: IMPLEMENT A CONSISTENT DENSITY BONUS PROGRAM FOR IMAGINE AUSTIN CENTERS AND CORRIDORS WHERE LARGER BUILDINGS ARE DEEMED ACCEPTABLE.**

Because the City of Austin is currently unable to adopt mandatory inclusionary zoning, creating a consistent and economically attractive density bonus program that will attract market-rate and affordable housing developers alike is critical. Density bonuses allow the City to produce affordable units without using limited subsidy dollars, and are an essential tool for reaching the Strategic Housing Blueprint housing goals.

National research shows that voluntary density bonus programs, or other voluntary “upzoning” programs, are most likely to be successful when the incentives

offered are highly economically attractive, and the program is predictable and easy for developers to use. Existing density bonus programs are varied in their requirements and the benefits they confer to developers, leading to potential underutilization of these programs. Currently, NHCD projects that just 1,500 density bonus units will be created by existing programs over the next 10 years, out of 60,000 affordable units that are needed for households of 80% MFI and below. In order to increase affordable unit production ensure that density bonus programs can contribute substantially to Blueprint goals, the City should provide for appropriate economic modeling and code revisions as part of Land Development Code changes in the near future.

This modeling and code revision should target a predictable and consistent density bonus regime that can significantly increase the production of affordable units, particularly targeting households at 61-80% MFI as this is likely to be the most economically efficient group to serve under a voluntary density bonus program. Serving these households with a density bonus program allows the City to focus its subsidies on serving households at 60% MFI and below, Opportunities to alter the existing code in order to further this goal include:

- Examine the potential to make a number of new density bonus units available and financially feasible through the creation and application of a single new density bonus program, or multiple new programs, along Imagine Austin Corridors, within Imagine Austin Centers, and along Mobility Bond and high-frequency transit corridors. Specifically model the opportunities for this code category to help the City meet Blueprint unit goals at 61-80% MFI without subsidy from the City.
- Establish a consistent citywide density bonus program to facilitate more mid-density development at a citywide scale; coordinate this program with the proposed expansion of mid-density residential zoning districts discussed in Action I.5.B.
- Coordinate density bonus programs with City subsidy to help developers reach lower income levels, such as households earning 50% MFI and below. This coordination will likely be most attractive to affordable housing developers; the City should explore this opportunity with the

Austin Housing Coalition and appropriate for-profit development groups in order to determine and remove any barriers that affordable housing developers experience in coordinating subsidy applications with zoning and permitting processes.

### **ACTION IV.2.B: INCENTIVIZE AND PROVIDE ADDITIONAL OPPORTUNITIES FOR HOUSING UNITS WITH TWO BEDROOMS OR MORE, PARTICULARLY IN HIGH OPPORTUNITY AREAS.**

Future Land Development Code changes should require all participating developments in density bonus programs to include a proportional mix of affordable unit sizes to market-rate unit sizes, and should offer additional incentives through the density bonus program for providing two- and three-bedroom affordable units. Stakeholders believe that this will assist in accomplishing the objective of incentivizing larger, family-sized affordable units.

Currently, although site plan applications include bedroom counts, the City’s electronic database for tracking permitting, development review, and inspections (the “AMANDA” system) provides no mechanism for tracking bedroom counts electronically. The City should add bedroom counts to the “info” tab in the AMANDA system in order to enable departments to track success and ensure adequate production of family-sized units with two bedrooms or more.

## **OBJECTIVE IV.3: STREAMLINE CITY CODES AND PERMIT PROCESSES\***

The time and complexity involved in obtaining the necessary City approvals to build new housing can be a **significant cost driver for development**. To make meaningful progress toward a more efficient system, the City will be proactive and persistent in its efforts to integrate and coordinate permitting processes across all departments. Developments including income-restricted affordable units should have **reduced review time**, similar to the City’s expedited review program. The development community has provided feedback that expedited review is one of the most important incentives to encourage them to participate in the City’s incentive programs to create affordable units.

### **ACTION IV.3.A: INTEGRATE AND COORDINATE PERMITTING PROCESSES ACROSS ALL DEPARTMENTS IN ORDER TO EXPEDITE DEVELOPMENTS THAT INCLUDE INCOME-RESTRICTED AFFORDABLE UNITS.**

The S.M.A.R.T. Housing program and establishing ordinances provide for expedited permitting and development review for projects that include at least 10% affordable housing for households earning 80% MFI and below. However, in recent years, the same level of expedited review has no longer been available for S.M.A.R.T. Housing development proposals, which removes a major incentive for developers to participate in the program. The Zucker Report, issued in 2015, highlighted the challenges that the Planning & Development Review division was facing at the time, including a dearth of staffing and funding amid increasing demand for permit review as the city continued to grow.

Ensuring faster review for all projects that meet S.M.A.R.T. Housing requirements should be a top priority for the city. This faster review should include:

- Review and completion of all essential development review and permitting processes within the time frames indicated in the S.M.A.R.T. Housing Manual.
- Implement additional concurrent review processes across all departments.
- Addition of dedicated designated staff members to steer each project through the review process. Developers have noted that delays often occur when reviews are passed from one staff member to another, as previously approved details and planning documents can come into question when new staffers take over.

## **OBJECTIVE IV.4: PROVIDE ADDITIONAL FUNDING TO MONITOR AUSTIN'S AFFORDABLE HOUSING INVESTMENTS\***

NHCD continues to strengthen its monitoring function and identify opportunities for process improvement. Staff estimate that approximately 3,200 affordable units will require monitoring in FY 2016-17. To augment existing staff capacity, NHCD will look to **third-party vendors to assist in performing physical inspections for a subset of the portfolio**. As part of the FY 2016-17 City of Austin Budget, NHCD also will address its monitoring requirements with appropriate staffing levels and elevate staffing needs as required. As the portfolio of income-restricted units grows, there will be a **corresponding need to invest in monitoring and compliance**. This will ensure adherence to federal and local regulatory requirements including visitability/ accessibility.

### **ACTION IV.4.A: HIRE THIRD-PARTY VENDORS TO ASSIST IN PERFORMING PHYSICAL INSPECTIONS FOR A SUBSET OF THE PORTFOLIO.**

In order to ensure that affordable housing that the City of Austin has subsidized or assisted is maintained to a high-quality standard, NHCD plans to work with third-party vendors to inspect a subset of the City's affordable portfolio each year. Randomized maintenance inspections will ensure that housing providers keep their properties up to code, or enable the City to quickly address code violations with the owners.

### **ACTION IV.4.B: ADDRESS MONITORING REQUIREMENTS WITH APPROPRIATE NHCD STAFFING LEVELS AND ELEVATE STAFFING NEEDS AS REQUIRED.**

Background: As the City's portfolio of affordable housing grows, NHCD should continue to evaluate the staffing requirements necessary to monitor properties generated through all of the City's affordable housing programs-- including units generated through City subsidy and through regulatory incentives like the various density bonus programs and the S.M.A.R.T. Housing program. These properties need to be

regularly monitored to ensure that they are complying with agreements on rental rates for low-to-moderate income households; that the appropriate number of units are being reserved for low-to-moderate-income households; and that they are exercising any mandated outreach plans to attract households who would benefit from obtaining an affordable unit.

While NHCD may not have the resources to audit every property in detail each year, they should maintain staffing levels needed to review regular reports from property owners and to conduct random audits for compliance purposes. NHCD staff should also ensure that property owners are aware of documentation requirements, such as how many years of rental receipts should be preserved at any given time, to ensure that owners have a clear understanding of what will be needed to pass an audit successfully.

## OBJECTIVE IV.5: BETTER UTILIZE LAND FOR AFFORDABLE HOUSING

The City should continue to offer density bonuses as well as reduced parking and lot width and setback requirements for developments that include a **significant number or percentage of units that are required to be affordable to very low-, low- or moderate-income households** for at minimum 40 years.

### **ACTION IV.5.A: CONTINUE TO OFFER DENSITY BONUSES AS WELL AS REDUCED PARKING AND LOT WIDTH AND SETBACK REQUIREMENTS FOR DEVELOPMENTS THAT INCLUDE A SIGNIFICANT NUMBER OR PERCENTAGE OF UNITS THAT ARE REQUIRED TO BE AFFORDABLE TO VERY LOW-, LOW- OR MODERATE-INCOME HOUSEHOLDS FOR AT MINIMUM 40 YEARS**

As noted in **Action IV.2.A**, density bonuses are an essential tool for creating affordable housing that requires no subsidy from the City. Existing density bonuses should continue to be offered while working toward future Land Development Code changes that standardize and maximize the value of density bonus programs citywide.

One potential opportunity to create a “density bonus” that can promote affordable housing on infill sites is to increase the usable area of each site for projects that include a significant percentage or number of affordable units. This can help open up sites for development in the urban core that were previously ignored because of their size or configuration, thereby increasing the potential for affordable development near jobs and services. Opportunities to implement this solution within future Land Development Code revisions include:

- Reducing compatibility requirements for projects that include a substantial percentage of affordable units
- Removing site area requirements for use of density bonus programs
- Reducing setback and lot width requirements to increase usable site area

Reducing parking requirements, particularly for developments near transit (see **Actions V.3.A and V.3.B**)

NHCD should define the terms “significant percentage” and “significant number” associated with this Blueprint objective to enable this recommendation to be operationalized with the City’s code. One opportunity would be to make the baseline affordability requirements consistent with the S.M.A.R.T. Housing program (or one of the thresholds in the program) in order to make S.M.A.R.T. Housing projects eligible for these increases in usable site area.



*The Lyons Gardens Apartments offer affordable senior living in east Austin. (source: City of Austin).*

## **OBJECTIVE IV.6: REVISE S.M.A.R.T. HOUSING PROGRAM**

The City should **revise the S.M.A.R.T. Housing Program** to lengthen the affordability period and to better balance developer benefits with unit construction. This program is producing positive results; however, after almost two decades it needs modification in order to help the City of Austin achieve affordability goals.

### **ACTION IV.6.A: REVISE THE S.M.A.R.T. HOUSING PROGRAM TO LENGTHEN THE AFFORDABILITY PERIOD AND TO BETTER BALANCE DEVELOPER BENEFITS WITH UNIT CONSTRUCTION**

Previous proposals for Land Development Code changes have included lengthening affordability requirements for S.M.A.R.T. Housing developments from 5 years to 40 years for rental units, and from initial sale to 99 years for homeownership units. The City should continue to pursue these Land Development Code changes in the short-term in order to help increase the affordable housing inventory and reduce the number of ongoing concessions that the City must make to rebuild affordable units that are rapidly expiring from the affordable portfolio. However, in order to balance these ongoing affordability requirements, the S.M.A.R.T. Housing Program must offer increased and significant benefits to developers, and must be applicable in locations where new housing is in high demand.

In order to incentivize participation in the S.M.A.R.T. Housing program, the City should:

- Ensure that reduced review times are available for all S.M.A.R.T. Housing developments as described in Action IV.3.A. In the 2018 budget, NHCD has proposed to fund a staffer who will work with S.M.A.R.T. Housing applicants to shepherd their proposals through the approvals process. In the short-term (2019-2020) the City should consider expanding this effort to specifically dedicate DSD review teams to S.M.A.R.T. Housing projects, similar to the existing fee-based “expedited review” program that exists within DSD, in order to further shorten development timelines and reduce risk and uncertainty for developers.

- Increase development entitlements with increased affordability requirements. These increases should prioritize corridors, transition zones, and mid-density building types. Opportunities include expansion of usable site area as described in Action IV.5.A and reduction of parking requirements as specified in Action V.3.A.
- Utilize the Fee Analysis described in Action III.12.A to determine whether additional fees can be waived for S.M.A.R.T. Housing projects.
- Consider removing the requirement for parkland dedication for all units in S.M.A.R.T. Housing developments, not just the affordable units.

## OBJECTIVE IV.7: IMPLEMENT DENSITY BONUS PROGRAM FOR MID-DENSITY HOUSING

A second type of density bonus program might be more appropriate at the edges of centers and corridors or on collector streets where residents are more sensitive to building height and building size. In this type of bonus program, the **“density” could take the form of units** (rather than height or bulk), allowing more units within the same size building. This program could effectively provide **mid-density affordable units**. Relaxation of parking requirements could reduce the costs or rental rates of units; such decisions should be made with consideration for neighborhood context and the amount of current and projected multimodal transportation options. Economic modeling has confirmed that density programs would be financially feasible and produce affordable housing benefits. Any increase in development capacity will be tied to an affordability requirement. The approach will incentivize and provide additional opportunities for housing units with two or more bedrooms, particularly in high opportunity areas, potentially including incentives for the provision of affordable units with two or more bedrooms.

### ACTION IV.7.A: CREATE DENSITY BONUS PROGRAMS THAT ALLOW FOR SMALLER UNITS.

Current and future Land Development Code revisions should consider additional opportunities to allow property subdivision or increased numbers of units in a similar building envelope if the developer provides a certain percentage of affordable units-- for example, areas currently eligible for two-family development could become eligible for four-family development with smaller units if one unit is dedicated as affordable.

This opportunity should be analyzed as part of the overall density bonus revisions proposed in **Objective IV.2** and **Action IV.5.A**.

### ACTION IV.7.B: IMPLEMENT REDUCED PARKING REQUIREMENTS FOR DEVELOPMENTS LOCATED WITHIN ¼ MILE OF HIGH-FREQUENCY TRANSIT.

Background: Reducing parking requirements for developments located near high-frequency transit can help encourage residents to use transit and

allow the market to better accommodate the parking needs and car ownership of projected residents. Fully “unbundling” parking requirements can allow developers to price parking separately from the costs of a residential unit, meaning that residents can choose to pay for parking if they need it, but opt to forego paying for a parking space if they do not own a car, or pay for one space instead of two if they have only one car. This can help make housing more affordable by reducing the amount developers must spend on parking development, thereby reducing ultimate costs to tenants; and by allowing residents to opt out of paying for parking and take transit, which is often a more affordable option.



*A density bonus program should be created for mid-density housing types and for smaller units, to encourage this type of development, as seen in Mueller (Source: City of Austin).*

## **OBJECTIVE IV.8: ALLOW THE DEVELOPMENT OF SMALLER HOUSES ON SMALLER LOTS**

Land values are increasing in Austin, particularly in neighborhoods near Austin’s core. This is due to a number of factors, but most notably to more **households valuing reduced distances between their work, home, and other destinations, which minimizes time spent in traffic.** With increased demand for housing in central locations, land prices are likely to continue to rise. One potential way to enable more people to afford to live in these location-efficient areas is to make it easier to build **smaller houses on smaller lots** through Land Development Code changes. This would help produce more housing choices that are generally more likely to be affordable than houses of a similar age built on larger lots. Small lot regulations can be revised utilizing a context sensitive approach to require a higher level of design and improved compatibility with neighboring properties. Such regulations should take care to incentivize more affordable housing choices rather than fewer, and to preserve neighborhood character.

### **ACTION IV.8.A: CONSIDER LAND DEVELOPMENT CODE CHANGES THAT MAKE IT EASIER TO BUILD SMALLER HOUSES ON SMALLER LOTS.**

The City should work to implement Land Development Code changes that:

- Expand the “small lot amnesty” provisions to allow houses built on small lots in historic Austin neighborhoods to undergo legal renovations and additions. Because these homes are considered non-conforming, property owners in these dense neighborhoods cannot legally obtain permits to renovate and add on to their homes. Implementing code changes will help to preserve these historic neighborhoods that offer dense housing in the urban core.
- Reduce the minimum lot sizes for many single-family neighborhoods in the urban core (zoned R2C) from 5,750 to 5,000 square feet, and allows for subdivision of 5,000 square foot lots to allow for duplex development.

## **OBJECTIVE IV.9: CREATE PRE-APPROVED STANDARD PLANS FOR INFILL DEVELOPMENT**

Utilize community resources (builders, architects, and neighborhood residents) to develop a comprehensive menu of **high quality housing designs** that are compatible with a variety of neighborhoods and meet the needs of median-income and entry-level buyers. The catalogue of pre-approved plans could include a wide range of options to meet a variety of site conditions, prefabricated or modular homes, or other options. Once pre-approved, homeowners could easily access the **pre-approved plans** by selecting from a catalogue or online resource, which could be potentially provided at no cost. Pre-approved plans would allow a homeowner to receive a permit ‘over-the-counter’ and reduce costs of construction and development that are often passed on to the resident.

### **ACTION IV.9.A: STUDY THE UTILIZATION OF UPFRONT DEVELOPMENT OF A COMPREHENSIVE MENU OF HIGH QUALITY HOUSING DESIGNS THAT ARE COMPATIBLE WITH A VARIETY OF NEIGHBORHOODS AND MEET THE NEEDS OF MEDIAN-INCOME AND ENTRY-LEVEL BUYERS, VERSUS OTHER PROGRAMS DESIGNED TO HELP LOW- AND MIDDLE-INCOME HOMEOWNERS.**

Creating high-quality housing designs that residents can access at low cost, or no cost, can help decrease the cost of permitting fees for homeowners building on vacant land. However, there are some concerns that such a program would not be economically effective unless implemented at a very large scale; the upfront costs of designing a catalog of plans, creating construction documentation and specifications for each, assuming liability for the designs, and updating the plan sets for each new building code cycle (every 3-6 years) are significant. To advance this conversation and determine the utility of expending resources on this work versus other potential programs that assist low-to-moderate-income homebuyers, NHCD should:

- Work with DSD and community stakeholders to study the benefits and costs of this proposed program versus a program that provides financial assistance with architects’ fees, engineers’ fees,

and other high-cost permitting items such as water meters and taps.

- Consider opportunities to focus this effort more narrowly on opportunities to reduce permitting costs for affordable housing developers who provide homeownership options.



*High quality housing designs such as this one can not only become compatible with neighborhood character, but also can meet the needs of median-income and entry-level buyers. (source: ACDDC).*

## **OBJECTIVE IV.10: RELAX REGULATIONS ON INTERNAL AND EXTERNAL ACCESSORY DWELLING UNITS**

Accessory dwelling units are a way to increase the supply of smaller housing units while also providing homeowners with a way to increase their income by renting out the unit. Reducing restrictions in more parts of Austin to allow **internal and external ADUs** to be built may not result in every ADU being rented at an affordable rate, but ADUs often exhibit lower per-unit and infrastructure costs and “offer the opportunity to increase the number and variety of housing units throughout the community.” HUD notes that ADUs can help **increase a community’s housing supply**, and as they cost less than a new single-family home on its own lot, they can also be a more affordable housing option for some households. The City should consider amending regulations for both internal ADUs, which are created by converting interior residential space into a separate unit, and external ADUs, which are separate structures. Regulations should also ensure accessibility and/or visitability.

### **ACTION IV.10.A: REDUCE RESTRICTIONS IN MORE PARTS OF AUSTIN TO ALLOW INTERNAL AND EXTERNAL ADUS TO BE BUILT**

Previously proposed Land Development Code changes, which have not yet been adopted, expanded the potential for both internal and external ADUs on many residential lots in the urban core. These changes also recommended that the size of an ADU should not count toward the floor area ratio (FAR) restrictions for homes that have been in existence for 10 years or more, which would ease a limitation on the construction of ADUs in areas where they are permitted. The City should work to open up opportunities for ADU development by:

- Adopting Land Development Code changes that permit ADUs throughout traditional single-family and urban core neighborhoods.
- Ensuring that ADU floor area does not count toward the floor area ratio (FAR) requirements for homes that have been in existence for a defined period of time (perhaps 10 years or five years).

Reducing the lot size that permits development of an ADU from 3,500 square feet to 2,500 square feet.

City Council should consider these and other recommendations for Land Development Code changes that can increase the City's housing capacity in urban core neighborhoods, high-opportunity neighborhoods, near Imagine Austin centers and corridors, and near high-frequency transit. Generally, all current single-family and urban core neighborhoods should be considered as potential opportunities to accommodate growth through ADU development

## **OBJECTIVE IV.11: OBJECTIVE IV.11: RELAX REGULATIONS ON MORE AFFORDABLE HOUSING PRODUCTS**

Smaller homes and micro-units of less than 700 square feet offer a more affordable housing product. These homes could be utilized as an **infill option or allowed as an ADU** to offer homeowners a way to increase income.

### **ACTION IV.11.A: EXPAND AVAILABILITY OF MICRO-UNITS.**

Micro-units can help increase affordable housing supply due to their smaller size. Austin's building code already allows for a minimum housing unit size that accommodates micro-units of 125 square feet to 700 square feet. Limitations on micro-unit development therefore reside more in the City's zoning code than in its building code. The city should explore Land Development Code changes that:

- Expand ADU development opportunities as recommended in Action IV.10.A, which could open up more locations where these micro-units could be accommodated.
- Increase the area covered by zoning that permits mid-density housing development (see Action I.5.B), and grow a density bonus program that promotes mid-density development as recommended in Action IV.7.A. These actions would also help create more as-of-right opportunities for tiny home communities. Currently, a lot that is zoned for single-family development in many cases would only permit a single micro-unit, or potentially two micro-units, to be constructed on a large property. Increasing the area of the City covered by zoning categories that allow three to six units per parcel will help the City take full advantage of the growing interest in micro-units.

## **OBJECTIVE IV.12: RELAX REGULATIONS ON HOUSING COOPERATIVES**

Zoning barriers, density restrictions and mandatory parking requirements can be a barrier to shared housing communities, and cooperatives. Collaborative living arrangements, where residents actively participate in the design and operation of everyday living, **provide another affordable housing choice** in Austin. Relaxing these standards or providing a specific zoning designation for cooperatives will ensure an increase in viable options for those wishing to live together in Austin.

### **ACTION IV.12.A: REDUCE BARRIERS TO COOPERATIVE DEVELOPMENT BY PROVIDING A SPECIFIC ZONING DESIGNATION FOR COOPERATIVES**

In Austin’s current Land Development Code, cooperative housing is treated similarly to group homes, which significantly limits the areas where cooperatives could be constructed. The City should:

- Prioritize Land Development Code changes that establish a separate zoning category for cooperative housing, or treat it similarly to all other multifamily development.
- Consider additional Land Development Code changes that expand opportunities for mid-density and multifamily housing development, including expanding areas zoned for these development typologies and reducing compatibility restrictions along major corridors, in transition zones, and within multifamily zoning districts.
- Consider allowing cooperatives by Minor Use Permit (MUP) in lower-intensity residential zones and by right in higher-intensity residential zones.
- Help to encourage the development of limited-equity cooperatives, which provide essential affordable homeownership opportunities, through such tools as density bonus programs for mixed-income development (Action IV.2.A) and a reinvigorated S.M.A.R.T. Housing program (Action IV.6.A). Cooperative housing should be a permitted use in any regulatory density bonus program where “Group Residential” or “Multifamily” are eligible bonus recipients.

## **OBJECTIVE IV.13: UTILIZE PLANNED UNIT DEVELOPMENTS (PUDS) TO PROVIDE A RANGE OF AFFORDABILITY**

PUDs present a unique opportunity to provide a range of affordability through increased housing diversity and improved transportation choices. Programs and regulations should **continue to provide incentives to developments that help address affordability goals** in PUDs.

### **ACTION IV.13.A: PROGRAMS AND REGULATIONS SHOULD CONTINUE TO PROVIDE INCENTIVES TO DEVELOPMENTS THAT HELP ADDRESS AFFORDABILITY GOALS IN PUDS**

Planned Unit Developments (PUDs) allow developers to request exemptions from the City’s base zoning for a large piece of land, in return for providing “superior” development standards within their proposed development. City departments determine whether each PUD proposal meets the required “Tier Two” standard that defines superior development. There are many competing criteria that can be used to determine whether a PUD meets the Tier Two standard, which include:

- More open space than in base zoning
- Superior approaches to drainage and environmentally sensitive development
- Eligibility for Austin Green Building Program
- Incorporation of public art
- Great Streets designation for proposed street treatments
- Provision of community amenities
- Transit-oriented or alternative-transportation-oriented development
- Coherent and attractive building design
- Reduction in blank frontage on parking structures
- Provision of affordable housing
- Preservation of historic buildings

- High standards for accessibility
- Support for local small businesses<sup>31</sup>

Affordable housing tends to negatively impact developers' long-term cash flow so developers may not choose to provide affordable housing compared to other "superior" features, which would increase the prices their development can command. As a result, NHCD recommends Council consider set a minimum threshold and a graduated system for affordable housing or a fee in lieu of units for developments seeking increased entitlements

While awaiting the establishment of a binding minimum threshold of affordability, the Planning and Zoning Department should work to ensure that the internal definition of "superior" always includes some percentage of affordable housing, and that affordability is included in all negotiations with developers.

## **OBJECTIVE IV.14: INCREASE HOUSING DIVERSITY IN NEW SUBDIVISIONS**

New subdivisions (especially those in and around Imagine Austin Activity Centers and Corridors) also present an opportunity to increase housing diversity. Subdivision regulations should **incentivize the development of a range of housing types**, including mid-density residential housing and co-housing formats (where smaller housing units are organized around shared common space). The regulations should also **incentivize a connected street grid** and promote a range of more affordable transportation choices. These centers and corridors allow people to reside, work, shop, access services, and recreate without traveling far distances.

### **ACTION IV.14.A: SUBDIVISION REGULATIONS SHOULD INCENTIVIZE THE DEVELOPMENT OF A RANGE OF HOUSING TYPES, INCLUDING MID-DENSITY RESIDENTIAL HOUSING AND CO-HOUSING FORMATS**

Future Land Development Code changes to subdivision regulations should provide for mid-density residential housing, including potential townhouse, attached single-family, duplex, and potentially 3-4 unit development typologies. Appropriate minimum lot size standards and zoning regulations should be implemented, particularly in areas within ½ mile of Imagine Austin centers and corridors, and including relevant areas in the extraterritorial jurisdiction. These changes will help promote smart growth and denser development in these areas of targeted growth established by the Imagine Austin Comprehensive Plan.

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<sup>31</sup> [https://www.austintexas.gov/sites/default/files/files/Auditor/Audit\\_Reports/PUD\\_Application\\_Process\\_June\\_2016\\_.pdf](https://www.austintexas.gov/sites/default/files/files/Auditor/Audit_Reports/PUD_Application_Process_June_2016_.pdf)

## **OBJECTIVE IV.15: SUPPORT LEGISLATION TO CREATE A MULTIFAMILY PROPERTY TAX EXEMPTION PROGRAM**

Multifamily Property Tax Exemption Programs are effective incentive programs used in other cities that ensure a percentage of housing in participating new developments is affordable for low-and moderate-income people. In exchange for on-site affordability, the city provides a **partial property tax exemption** for a number of years. The new program should allow **all unit types to participate** and should incorporate an incentive for building larger units so that families have more affordable housing choices throughout the city. Multifamily Property Tax Exemption housing can provide housing to retail and service workers, entry-level professionals, and retirees on fixed incomes.

### **ACTION IV.15.A: ALLOW ALL MULTIFAMILY UNIT TYPES TO PARTICIPATE IN A TAX EXEMPTION PROGRAM IN EXCHANGE FOR ON-SITE AFFORDABILITY; SHOULD INCORPORATE AN INCENTIVE FOR BUILDING LARGER UNITS SO THAT FAMILIES HAVE MORE AFFORDABLE HOUSING CHOICES THROUGHOUT THE CITY**

**Action I.3.A** identifies an opportunity to create a Preservation Property Tax Abatement program by using the state-authorized Neighborhood Empowerment Zone program to provide partial tax abatements to apartment complexes that preserve affordable units. This program would function in specific, designated NEZ areas and would not be available citywide. In order to expand this program to address properties citywide, the City will need to work to pass legislation at the state level to enable the creation of a uniform Multifamily Property Tax Exemption program. The City will also need to work with other regional taxing bodies to ensure agreement around exemption requirements and total exemption value.

## **OBJECTIVE IV.16: COMPLETE AN AFFORDABLE HOUSING NEXUS STUDY**

The Austin City Council approved a resolution in 2016 directing the City to conduct a study to determine whether a relationship exists between new development and the city's affordable housing needs. The study would also assess potential market and economic impacts of setting different fees on new types of development. The fees would be used to **fund the construction of new affordable housing** units generated by the new workers employed by new commercial developments, or the new workers needed to provide services to households at the new residential developments. After assessing the results of the study, City Council can decide to establish these "linkage fees" for types of new residential or non-residential development.

### **ACTION IV.16.A: ASSESS POTENTIAL MARKET AND ECONOMIC IMPACTS OF SETTING DIFFERENT FEES ON NEW TYPES OF DEVELOPMENT**

As recommended in **Action III.12.A**, NHCD should spearhead a Fee Analysis with all other City departments and public agencies involved in the development process, including Austin Water, Austin Energy, Development Services, Planning and Zoning, Economic Development, Watershed Protection, Law, and Code, to create an inventory of all current fees and/or future fees under consideration that could be waived. This analysis should occur as part of the broader restructuring and updating of the S.M.A.R.T. Housing program described in **Action IV.6.A**.

### **ACTION IV.16.B: USE FEES TO FUND THE CONSTRUCTION OF NEW AFFORDABLE HOUSING UNITS; ESTABLISH "LINKAGE FEES" FOR TYPES OF NEW RESIDENTIAL OR NON-RESIDENTIAL DEVELOPMENT**

After the passage of the Blueprint, the State of Texas passed legislation that prevents the City of Austin from directly using fees from new development to subsidize affordable housing units. However, development fees can still be used to support important Blueprint goals, as discussed in **Action IV.16.A**. In the long term, the City should seek to partner with other municipalities in Texas to reverse this legislation and re-enable the use of linkage fees.

## **OBJECTIVE IV.17: CONSIDER BUILDING AND FIRE CODE MODIFICATIONS TO ALLOW SIX STORIES OF WOOD FRAME CONSTRUCTION**

The City should review the possibility of increasing the **allowable height for economical wood frame construction**. This could take the form of building code changes to increase the height limit or allowed number of wood frame stories. This action needs careful vetting to ensure fire and life safety protection. For example, this could be accomplished by expediting review and approval of emerging building technologies as is being done in other cities around the world.

### **ACTION IV.17.A: REVIEW THE POSSIBILITY OF INCREASING ALLOWABLE HEIGHT FOR ECONOMICAL WOOD FRAME CONSTRUCTION**

Wood-frame construction is more economical than steel-frame construction, and technologies for wood framing have advanced with the development of newer, sturdier engineered wood products and paneling. Currently, the maximum allowable height for a wood-frame building in Austin is five stories. The 2015 International Building Code allows for six stories of wood-frame construction under several conditions, including the use of fire-retardant wood framing and the installation of a qualified sprinkler system throughout the building.<sup>32</sup> While these systems are more expensive than those required in a five-story wood-frame building, they may still be less expensive than shifting to steel-frame construction, particularly as the cost of steel continues to rise.

Six-story wood-frame construction is under examination as the International Code Commission works to develop the 2021 International Building Code (IBC). There are proposed amendments to allow tall wood construction which would allow high-rise wood construction residential use buildings. Voting for the amendment(s) will take place this fall and the City of Austin participates in this code change process.

The City of Austin recently adopted the 2015 codes and is looking toward the next code adoption to include the 2021 IBC.

## **OBJECTIVE IV.18: DEVELOP REAL-TIME DATABASE OF HOUSING**

The goal of creating a “real-time” database of available affordable housing units, services, resources, and incentives to better connect buyers and renters with affordable housing was identified in the Imagine Austin Comprehensive Plan. At the department level, additional local funding for staffing and administration will be necessary to create and monitor this database.

### **ACTION IV.18.A: MAINTAIN AND ENHANCE HOUSING DATABASE; ACQUIRE ONGOING FUNDING FOR STAFF AND ADMINISTRATION**

As of 2018, NHCD has already worked to aggregate a list of all affordable housing developments in the City and worked to provide information about available affordable housing units to the public. Keeping this information up-to-date, particularly information about available units, is a significant undertaking and may require additional staff and/or partner resources for NHCD to maintain the most current information.

There are additional opportunities to augment the data available in this database to ensure that NHCD can monitor all of the housing metrics that are relevant to implementation of the Blueprint, and to make these Blueprint metrics available to the public. Relevant data points include:

- Basic property information such as address, number of units, year placed in service (already available)
- Subsidy provided (already available)
- Affordability expiration date
- Funding source for subsidy
- Private dollars leveraged by subsidy
- Affordability level of all units by MFI
- Number of efficiency, 1-bedroom, 2-bedroom, 3+ bedroom units
- Location within ¼ mile of high-frequency transit (Yes/No)
- Location within high-opportunity area (Yes/No)

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<sup>32</sup> <http://www.woodworks.org/experttip/what-is-the-tallest-wood-structure-allowed-per-current-building-codes/>

- » Location within ½ mile of Imagine Austin Center or Corridor (Yes/No)
- » Location within ¼ mile of 2016 Mobility Bond Corridor (Yes/No)
- » Utility costs, if possible to work with Austin Energy to provide regular data updates

NHCD should assess the necessity of collecting these and other variables for all affordable housing projects in the City's portfolio; the Development Review Tool will help ensure that relevant metrics are available for each proposed project. Upon selection of a final set of metrics, NHCD should structure a database to ensure that relevant information is available and preserved for all projects moving forward, and that this data is collected retroactively where possible for the existing affordable housing portfolio.

# COMMUNITY VALUE V: HELP AUSTINITES REDUCE THEIR HOUSEHOLD COSTS

Community Value V recognizes that many factors other than rent and mortgage payments contribute to Austin residents' household costs. Some families may need two cars to access their jobs because the only housing they can afford is outside the city, far from public transit and job centers. This adds costs to their daily lives in the form of insurance, gas, and commute time. Others may live in aging homes with high utility costs. Still others may need better access to healthcare, or to affordable, healthy food.

The strategies and actions in this Community Value seek to connect housing with transportation choices; help households to reduce utility costs through weatherization of current residences; and ensure that future housing developments are close to healthy grocery stores, health care services, and social support agencies.



*The Southwest Trails Apartments are affordable apartments in Southwest Austin that include on-site learning centers (source: City of Austin).*

## **OBJECTIVE V.1: STRENGTHEN SCORING CRITERIA AND DEVELOP POLICIES FOR HOUSING NEAR CURRENT AND FUTURE TRANSIT SERVICE**

The City of Austin Neighborhood Housing and Community Development Office (NHCD) awards Rental Housing Development Assistance (RHDA) and other program funding through scoring criteria with points awarded according to various community values and objectives. RHDA can be utilized for developments of all sizes, even those that may be too small to participate in the Low Income Housing Tax Credit (LIHTC) program. These scoring criteria and other policies should be amended to **prioritize a greater percentage of assistance in areas currently serviced by public transportation**. Changes like this would help NHCD reach its goal of 25% of affordable housing units created or preserved within 1/4 mile of a transit stop. The Capital Metropolitan Transportation Authority's Connections 2025 Plan and new Transit Oriented Development (TOD) +Tool (an assessment of built form and market readiness for all MetroRapid and MetroRail Stations) present new opportunities to align housing programs with transportation choices, thereby encouraging a mix of housing at all income levels near station areas.

### **ACTION V.1.A: UTILIZE RHDA FOR DEVELOPMENTS OF ALL SIZES, EVEN THOSE TOO SMALL TO PARTICIPATE IN THE LOW-INCOME HOUSING TAX CREDIT PROGRAM.**

RHDA funding is often awarded to projects who receive LIHTC. While central to maximizing the amount of units produced through the RHDA program, there are important types of development called for in the Blueprint that do not score well on LIHTC applications and therefore do not receive this funding source. These include smaller development projects that deliver mid-density residential and homeownership housing, as well as permanent supportive housing developments and Housing First developments that serve formerly homeless residents.

NHCD has recently revised the RHDA scoring criteria to correspond with the Council District housing unit production and preservation goals as well as the initiatives and targets described in **Action IV.1.A**. Each development will be scored based on its contribution to these goals.

### **ACTION V.1.B: AMEND SCORING CRITERIA AND OTHER POLICIES TO PRIORITIZE A GREATER PERCENTAGE OF ASSISTANCE IN AREAS CURRENTLY SERVICED BY PUBLIC TRANSPORTATION**

National studies have found that transportation is the second-largest monthly expense for most U.S. households-- directly after housing, which is the largest expense.<sup>33</sup> Providing affordable housing that is close to public transportation can help address both of these household costs for Austinites. The Blueprint suggests directly aligning housing programs with transportation opportunities outlined in the Capital Metropolitan Transportation Authority's Connections 2025 and new TOD Tool.

The 2018 RHDA scoring criteria revision will base project scores on the Council District housing goals described in **Objective IV.1**; these include a goal for the number of units that should be produced within ¼ mile of high-frequency transit corridors within each council district. Additional opportunities to amend policies in order to build more affordable housing near high-frequency transit include:

- Ensuring that existing density bonus programs, and future density bonuses established through Land Development Code changes, allow high-density and mid-density development within ¼ mile of high-frequency transit corridors; this could include adopting new zoning designations suggested in Action IV.2.A, ensuring that zones that can participate in the citywide Affordable Housing Density Bonus program are adequately mapped near transit corridors, and mapping more mid-density residential zoning districts as described in

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*33 Center for Transit-Oriented Development and Center for Neighborhood Technology, 2006, "The Affordability Index: A New Tool for Measuring the True Affordability of a Housing Choice," Brookings Institution, Available at <https://www.scribd.com/document/8728440/The-Affordability-Index-A-New-Tool-for-Measuring-the-True-Affordability-of-a-Housing-Choice>*

Action I.5.B. These code revisions should align with the Connections 2025 and the Austin Strategic Mobility Plan.

- Providing rapid review for S.M.A.R.T. Housing projects to incentivize affordable housing development near transit, as described in Action IV.3.A.

Reducing regulatory burdens and parking requirements for affordable developments near transit.

## **OBJECTIVE V.2: MINIMIZE THE DISPLACEMENT OF CORE TRANSIT RIDERS**

Redevelopment and major rehabilitation threaten the stock of market rate affordable rental housing (housing built by private developers that is affordable without a subsidy due to size, location, age, quality, maintenance, or other factors), where many residents may depend on transit. When developing in transit corridors and nodes, **every attempt should be made to ensure that development does not reduce transit ridership**. A common pattern is that as transit is added, housing becomes more expensive. Wealthier residents move into the neighborhood, often pricing out existing core transit riders, while vehicle ownership becomes more common and transit ridership is actually reduced despite increases in density. Policies should encourage the preservation of affordable housing near transit corridors.

### **ACTION V.2.A: ENCOURAGE THE PRESERVATION OF AFFORDABLE HOUSING NEAR TRANSIT CORRIDORS.**

Core transit riders who rely on transit for their everyday transportation needs are often lower income than residents who can afford personal vehicles. Preserving affordable housing near high-frequency transit corridors therefore has two critical benefits: residents who rely on transit retain access to this essential service, and Austin’s transit system retains the ridership that is critical to the long-term stability of the system.

In order to encourage the preservation of affordable units near transit corridors, the City should:

- Work with Affordable Central Texas to determine how the Affordable Housing Conservancy will participate in a transit-oriented housing preservation strategy.
- Develop a plan to fill any gaps that the Affordable Housing Conservancy’s preservation efforts may not address. For example, if the Affordable Housing Conservancy focuses on preserving affordable units at 81-120% MFI, the City would create a plan for preserving units for lower-income households. The focus of this plan should be meeting the City’s goal to produce and/or preserve 25% of affordable units within ¼ mile of high-frequency transit corridors.

One available option is for the City to purchase expiring subsidized properties and/or market-rate affordable properties directly, or through a redevelopment agency as described in **Action II.3.A**. These purchases would be relatively costly, but could be funded through Tax Increment Financing dedication for areas near new transit investments or through GO bond funds.

The City can also help to incentivize preservation by creating a package of incentives for preservation near transit corridors, including the Preservation Property Tax Exemption described in **Action I.3.A**, creation of a revolving loan fund that includes low-interest financing options for maintenance and rehabilitation of properties (see **Action III.4.A**), coordination with Austin Energy subsidy and rebate programs, potential fee waivers for major renovation or rehabilitation projects, and prioritization of home repair dollars in neighborhoods near transit corridors.

## **OBJECTIVE V.3: LINK HOUSING CHOICES WITH TRANSPORTATION CHOICES**

There are several strategies that can be undertaken to better align regulations/entitlements, infrastructure, and policies.

- Support Land Development Code changes that **amend regulations and entitlements to ensure density is supported** around transit stations.
- Support Land Development Code changes that utilize tools such as **density bonuses and parking reductions** when income-restricted affordable housing is provided in and around transit stops.
- Strengthen policies to **direct public subsidies for the preservation** and creation of income-restricted affordable housing within 1/4 mile of a transit stop.
- Prioritize infrastructure investments in activity centers and along activity corridors. Infrastructure is critical to developing a transit-supportive environment and thus ridership.

### **ACTION V.3.A: SUPPORT LAND DEVELOPMENT CODE CHANGES THAT AMEND REGULATIONS AND ENTITLEMENTS TO ENSURE DENSITY IS SUPPORTED AROUND TRANSIT STATIONS.**

Stakeholders in the Strategic Housing Blueprint conversations expressed a need to make Land Development Code changes that create transition zones adjacent to high-frequency transit corridors that:

- Offers increased opportunities for multifamily and mid-density development.
- Relaxes and/or modifies compatibility requirements along the entire length of each corridor to address the 1/4 mile pedestrian shed.
- Further relaxes compatibility standards within 1/2 mile of identified station areas to support frequent, high-quality transit.
- Includes opportunities for dense multifamily development directly fronting on these transit corridors. Stakeholders suggested that many areas along these corridors should have a maximum height of 120', especially at key nodes.

### **ACTION V.3.B: SUPPORT LAND DEVELOPMENT CODE CHANGES THAT UTILIZE TOOLS SUCH AS DENSITY BONUSES AND PARKING REDUCTIONS WHEN INCOME-RESTRICTED AFFORDABLE HOUSING IS PROVIDED IN AND AROUND TRANSIT CORRIDORS.**

**Action IV.2.A** recommends changing the Land Development Code to establish a predictable and consistent density bonus regime that can produce a significantly increased number of affordable units in total over the next 10 years. These bonuses should emphasize areas within ¼ mile of high-frequency transit corridors, as well as Imagine Austin centers and corridors. Increasing maximum possible heights along transit corridors, and adding more mid-density residential zoning districts where density bonuses could be applied, could also help add to the total capacity of density bonus programs to generate affordable units (see **Action IV.2.A**).

### **ACTION V.3.C: STRENGTHEN POLICIES TO DIRECT PUBLIC SUBSIDIES FOR THE PRESERVATION AND CREATION OF INCOME-RESTRICTED AFFORDABLE HOUSING WITHIN ¼ MILE OF A TRANSIT STOP.**

NHCD has already begun strengthening the connection between RHDA scoring criteria and high-frequency transit corridors, as described in **Action V.1.B**. Stakeholders suggested that additional ways to strengthen City policies that connect housing and transit could include:

- Ensuring that all City departments and public-sector agencies use the same definition of transit “adjacency” or “proximity” in their allocation frameworks for incentives or regulatory bonuses. This should include consistency between NHCD, Economic Development, Capital Metro, Planning and Zoning, Real Estate, Transportation, and Development Services. Ideally, this would follow the Blueprint definition of location within ¼ mile of a high-frequency transit corridor, where high-frequency is defined as transit lines that have headways (arrival time gaps) of 15 minutes or less.
- Creation of an educational campaign associated with Project Connect that informs residents and

policy-makers about the connections between transit and housing.

- Providing incentives for affordable housing preservation and production in these transit-adjacent or transit-proximate areas, as described in Actions I.6.A, I.8.A, II.1.B, II.3.A, V.1.B, and V.2.A.
- Prioritizing publicly-owned properties within ¼ mile of a high-frequency transit corridor for new development or intensified uses that include affordable housing, as described in Actions III.5.A and III.5.B.

### **ACTION V.3.D: PRIORITIZE INFRASTRUCTURE INVESTMENTS IN ACTIVITY CENTERS AND ALONG ACTIVITY CORRIDORS. INFRASTRUCTURE IS CRITICAL TO DEVELOPING A TRANSIT-SUPPORTIVE ENVIRONMENT AND THUS RIDERSHIP.**

As called for in the Imagine Austin Comprehensive Plan, the City should prioritize infrastructure investments in Imagine Austin centers and corridors in order to promote smart growth and a transit-supportive environment. The 2016 Mobility Bond Corridor Program provides a good example of investing in these critical corridors and centers.

## **OBJECTIVE V.4: COMPREHENSIVE PARKING REFORM**

High parking standards increase impervious cover due to parking lots or parking garages, increasing the area on a site that cannot absorb rainfall. By **right-sizing parking requirements based on a project’s location, walkability, and transit service**, the City of Austin can address several important City goals such as lower construction costs, reduced dependence on automobiles, mitigation of flood and erosion, and water quality protection. Requiring that new developments include significant off-street parking add to the cost of construction and limit the number of units possible on a site, indirectly limiting the density of housing and potentially precluding opportunities to develop more affordable housing. The City should consider whether changes to its parking policies would support housing affordability and access by:

- Clarifying the definition of frequent transit service to reduce parking requirements in transit areas;
- Reducing parking requirements for multifamily housing that are within 1/4 mile of frequent transit service; and,
- Reviewing parking requirements for accessory dwelling units and other small-scale housing types in single family areas. Parking reductions for multifamily or mixed-use developments could be tied to the creation of income-restricted affordable housing units.

**ACTION V.4.A: CLARIFY THE DEFINITION OF FREQUENT TRANSIT SERVICE TO REDUCE PARKING REQUIREMENTS IN TRANSIT AREAS**

As noted in **Action V.3.C**, creating a consistent definition of “high-frequency” transit service, and defining relevant areas near these frequent lines that should receive incentives and/or regulatory preferences, will help all City departments provide consistent guidance to developers and property owners. Ideally, this would follow the Blueprint definition of location within ¼ mile of a high-frequency transit corridor, where high-frequency is defined as transit lines that have headways (arrival time gaps) of 15 minutes or less.

**ACTION V.4.B: REDUCE PARKING REQUIREMENTS FOR MULTIFAMILY HOUSING THAT ARE WITHIN 1/4 MILE OF FREQUENT TRANSIT SERVICE, AND FOR MULTIFAMILY OR MIXED-USE DEVELOPMENTS THAT INCORPORATE INCOME-RESTRICTED AFFORDABLE HOUSING UNITS.**

Stakeholders in the Strategic Housing Blueprint Implementation process strongly favored previously proposed Land Development Code changes that lowered parking requirements to one space per dwelling unit in many areas. Others favor unbundling parking requirements entirely in areas near frequent transit corridors, which would allow market demand to dictate the amount of parking that would be provided in these areas, and allow developers to respond to reduced demand based on transit access.

In the short-term, the Transportation Department will be providing additional guidance on future parking reductions based on the best practices of Transportation Demand Management through revision of the City’s Transportation Criteria Manual (TCM). Transportation Demand Management focuses on reducing traffic and congestion at peak hours through a suite of tools, including transit-oriented development, walkability, bikeability, smart city technologies, and communication to residents about alternative transit modes. The proposed rewrite of the TCM should move forward, and the results of this rewrite should be incorporated into Land Development Code changes adopted by the City. As this process moves forward, NHCD and PAZ should:

- Coordinate with the Transportation Department to ensure that multifamily developments within ¼ mile of high-frequency transit corridors receive reduced parking requirements if they follow TDM best practices.
- Work with the Transportation Department to consider whether income-restricted affordable or mixed-income multifamily developments should receive additional parking reductions based on average car ownership data for low- to moderate-income households in Austin. This car ownership data may vary by household income level, so the analysis and final policy should therefore consider how serving different household income levels causes variations in travel demand.

**ACTION V.4.C: REVIEW PARKING REQUIREMENTS FOR ACCESSORY DWELLING UNITS AND OTHER SMALL-SCALE HOUSING TYPES IN SINGLE FAMILY AREAS.**

Future Land Development Code revisions should revise parking requirements associated with accessory dwelling units (ADUs), and should likely support the addition of ADUs with no additional parking provision required.

## **OBJECTIVE V.5: INCREASE BIKEABILITY AND WALKABILITY**

Increasing **bicycle infrastructure, bike lanes, and bike share facilities near affordable housing developments** and end-of-the-line transit stops can provide critical first-mile and last-mile connections for households dependent on public transit. Funding should also be increased for sidewalks, and the **Sidewalk Master Plan** scoring criteria should be amended to award points for filling in gaps in sidewalks between affordable housing developments and transit.

### **ACTION V.5.A: INCREASE BICYCLE INFRASTRUCTURE, BIKE LANES, AND BIKE SHARE FACILITIES NEAR AFFORDABLE HOUSING DEVELOPMENTS AND END-OF-THE-LINE TRANSIT STOPS**

The 2014 Bicycle Plan identifies displacement and lack of affordability in Austin’s central city as key concerns, because bicycle infrastructure is less likely to be present in the outer fringes of the city and rural areas where residents are often displaced. It recommends “ensur[ing] that affordable housing is available throughout Austin, especially in the Central City and near high capacity transit stations where the potential for short trips and the potential for bicycling are most present.”<sup>34</sup>

A necessary corollary to this strategy is to ensure that affordable housing that is located within the central city has strong access to bicycle infrastructure and that residents have access to bicycling as a mode of transit. Stakeholders in the SHBI process recommended:

- Prioritizing bicycle infrastructure and bike lanes that connect to affordable housing developments and end-of-the-line transit stops in future bond issues.
- Adding education resources and programs that support residents’ adoption of bike share, carpooling, carshare, and other Transportation Demand Management strategies.
- Working within the TCM revision (see Action V.4.C) to reduce parking requirements for prioritized

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<sup>34</sup> Austin Bicycle Master Plan,” 2014, Online at [http://www.austintexas.gov/sites/default/files/files/2014\\_Austin\\_Bicycle\\_Master\\_Plan\\_\\_Reduced\\_Size\\_.pd](http://www.austintexas.gov/sites/default/files/files/2014_Austin_Bicycle_Master_Plan__Reduced_Size_.pd)

multifamily properties in return for the provision of bike share stations and bike share subsidies for residents. This recommendation will need to be vetted with bike share providers prior to final implementation.

### **ACTION V.5.B: INCREASE FUNDING FOR SIDEWALKS.**

The 2016 Sidewalk Master Plan establishes a goal of spending \$250 million on new sidewalks and \$150 million on maintenance and repair of existing sidewalks over the next 10 years. Despite this robust goal, the Public Works and Transportation Departments estimate that meeting the need for a quality sidewalk on every Austin block would require \$1.64 billion.<sup>35</sup> Given the existing funding available, the Sidewalk Master Plan prioritizes creating new sidewalks in areas within ¼ mile of schools, bus stops, and parks, and assessing 10% of the existing sidewalks each year in order to set maintenance and repair priorities. Finding new funding streams for sidewalks would enable the City to more rapidly complete its existing network of sidewalks and to maintain the sidewalks it already has.

### **ACTION V.5.C: AMEND SIDEWALK MASTER PLAN SCORING CRITERIA TO AWARD POINTS FOR FILLING IN GAPS IN SIDEWALKS BETWEEN AFFORDABLE HOUSING DEVELOPMENTS AND TRANSIT.**

The Sidewalk Master Plan includes “Income Restricted Affordable Hous[ing] Secured through City and Federal Programs” as an “attractor” within its scoring criteria, as well as prioritizing sidewalks within ¼ mile of “Core Transit Corridors” and transit stops.<sup>36</sup> While this does not explicitly imply that gaps between affordable housing developments and transit will be a priority, the combination of emphases does appear to emphasize areas between affordable housing and nearby transit stops.

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<sup>35</sup> [https://www.austintexas.gov/sites/default/files/files/Public\\_Works/Street\\_%26\\_Bridge/FINAL\\_Website\\_Sidewalk101Handout\\_Reduced.pdf](https://www.austintexas.gov/sites/default/files/files/Public_Works/Street_%26_Bridge/FINAL_Website_Sidewalk101Handout_Reduced.pdf)

<sup>36</sup> Austin Sidewalk Master Plan, 2016, p. 10, Online at [https://austintexas.gov/sites/default/files/files/Public\\_Works/Street\\_%26\\_Bridge/Sidewalk\\_MPU\\_Adopted\\_06.16.2016\\_reduced.pdf](https://austintexas.gov/sites/default/files/files/Public_Works/Street_%26_Bridge/Sidewalk_MPU_Adopted_06.16.2016_reduced.pdf)

## **OBJECTIVE V.6: ALIGN SIDEWALK MASTER PLAN WITH IMAGINE AUSTIN**

Currently, points are not awarded in the Sidewalk Master Plan for the **repair or construction of sidewalks in Imagine Austin Activity Centers and Corridors**. The scoring criteria should be amended to ensure points are awarded to direct investment in sidewalks within these centers and corridors where there is (or is likely to be) higher frequency transit service. This will help ensure that riders who depend on transit can get safely to their destinations anywhere along a route. Highest frequency routes should be prioritized to increase potential ridership.

### **ACTION V.6.A: AMEND SIDEWALK MASTER PLAN SCORING CRITERIA TO AWARD POINTS TO DIRECT INVESTMENT IN SIDEWALKS WITHIN CENTERS AND CORRIDORS WHERE THERE IS OR IS LIKELY TO BE HIGHER FREQUENCY TRANSIT SERVICE.**

As noted in **Action V.5.C**, the 2016 Sidewalk Master Plan prioritizes areas within ¼ mile of Core Transit Corridors (as defined by the May 12, 2005 City Council Approved Design Standards Policy Document) in their scoring criteria. It also prioritizes investment in Imagine Austin Centers and Corridors as an “additional priority and coordination opportunity.”<sup>37</sup>

## **OBJECTIVE V.7: ENSURE ACCESS TO AFFORDABLE CARE AND A HEALTHFUL ENVIRONMENT**

Strengthen and expand accessible preventative care for all residents, locate affordable housing development in areas with access to affordable healthcare, and utilize Land Development Code changes to ensure a **healthy built environment** for Austin residents to reduce pollution and encourage regular exercise.

### **ACTION V.7.A: STRENGTHEN AND EXPAND ACCESSIBLE PREVENTATIVE CARE FOR ALL RESIDENTS.**

Many Austin residents are being displaced to the outer edges of the City, or outside the City’s boundaries, where health care and preventative care are less accessible. In response, stakeholders including Central Health and Austin’s Public Health Department have emphasized the need for mobile clinics that provide health care and dental services, and community healthcare workers who can serve communities where they live. Stakeholders noted two key points:

- Prevention of displacement combined with strategies that address those who have been displaced and now live further from health care are essential to ensure that preventative care is widely accessible.
- Additional Federally Qualified Health Centers (FQHC) would help ensure that low-to-moderate-income residents who do not have insurance can access preventative care. Central Health and other key stakeholders can help determine where these FQHCs are needed and where mobile clinics may be a superior option to brick-and-mortar clinics.

### **ACTION V.7.B: LOCATE AFFORDABLE HOUSING DEVELOPMENT IN AREAS WITH ACCESS TO AFFORDABLE HEALTHCARE.**

Stakeholders emphasized that co-location of services near affordable housing is critical for low- to moderate-income families who may not have the time or reliable transportation that enables them to visit multiple locations. Locating social services, health care and screenings, food supports like Women, Infants, and Children (WIC), and other services in the same location

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<sup>37</sup> *Ibid.*, p. 14

as affordable housing and transit will help families easily access all of these services at once. Austin Public Health is involved in existing partnerships led by Central Health, that are working to move this strategy forward. To support these efforts, the City should:

- Continue to work with Central Health and its partners to emphasize co-location of services at each healthcare location.
- Coordinate with the Council District affordable housing goals established in Objective IV.1 and the Corridor goals established in Action I.8.A to identify future locations for affordable housing compared to existing healthcare services.
- Regularly map locations of FQHCs and co-located services, along with walksheds and transit sheds and existing income-restricted affordable housing, in order to evaluate how well the City is meeting the goal of creating access to affordable health care.

## **OBJECTIVE V.8: INCREASE OPPORTUNITIES FOR HOUSEHOLDS TO REDUCE UTILITY COSTS**

The City should review existing programs which **encourage weatherization** as well as efficient household appliances, fixtures and mechanical systems. Programs should be explored that **reduce initial costs for sustainable features** such as solar energy. Incentives should be provided to actively seek participation from both renters and landlords.

### **ACTION V.8.A: REVIEW EXISTING PROGRAMS THAT ENCOURAGE WEATHERIZATION AS WELL AS EFFICIENT HOUSEHOLD APPLIANCES, FIXTURES, AND MECHANICAL SYSTEMS.**

As noted in **Action I.4.C**, Austin Energy offers a no-cost Weatherization Assistance program that serves households earning 200% or less of the federal poverty guidelines and with home values of \$250,000 or less. This is available to all customers meeting these guidelines, including the 24,000 low-income families who participate in Austin Energy’s Customer Assistance program because they are having trouble affording their energy bill each month. As part of this program, Austin Energy automatically connects all customers enrolled in the program to Austin Energy-provided energy efficiency services. Generally, households who do not take advantage of these weatherization services immediately fall into one of two groups:

- Residents whose home needs more in-depth repair services than Austin Energy can provide. These residents are referred to the City of Austin’s home repair program. Continuing coordination between the City and Austin Energy through the Green and Healthy Homes program should enable residents to access needed home repairs and energy efficiency services.
- At-risk residents may need a more comprehensive outreach approach that specifically addresses cultural barriers and language barriers. Austin Energy pursues additional outreach with these residents, but there may be a need for additional information on weatherization services and why they are valuable. The City should ensure that its home repair clients also receive information on

Austin Energy’s services and the potential monthly energy savings from weatherization.

Other programs available to reduce utility costs in larger multifamily properties include Austin Energy’s Multifamily Rebate programs; these are described in more detail in **Action V.8.C**.

### **ACTION V.8.B: EXPLORE PROGRAMS THAT REDUCE INITIAL COSTS FOR SUSTAINABLE FEATURES SUCH AS SOLAR ENERGY.**

Austin Energy has documented three key barriers for low- to moderate-income households to access solar energy:

- Solar energy has high initial upfront costs with long payback periods; while high-income households can offset some of these costs with tax credits, low-income households do not make enough income to benefit from these credits. Low-income households also have limited ability to access credit to make initial payments for solar systems.
- Low- to moderate-income homeowners often have roofs that cannot support solar systems due to their age, condition, and structural assembly.
- Many low-income customers rent their home and thus don’t own a roof to install solar on, and/or have little incentive to make a large capital investment in a property they don’t own and will likely move out of before the investment is recouped.
- Multifamily buildings face increased cost and complexity installing solar to serve individually-metered units. Also, if savings from solar energy accrue directly to renters, then landlords have little incentive to pay high upfront costs for solar systems (this is called the “split incentive” problem), unless they are able to adjust HUD rental vs utility allowances, for example.<sup>38</sup>

Austin Energy has developed a variety of programs to address each of these barriers. These include a \$2,500 rebate for all residential customers who install solar systems; installation of community solar projects to enable renters and others who can’t install solar at

their own home to access local solar at no upfront cost from local projects, including a pilot project with subsidized solar rates accessible to Community Assistance Program participants; a shared-solar pilot project for multifamily affordable housing that virtually allocates solar bill credits from an on-site solar project to each tenant’s bill ; and enhanced solar incentives for non-profits, including affordable housing providers who install solar to offset their house loads.

The City should work with Austin Energy to monitor the development and success of each of these programs and consider how best to expand or develop new programs to increase solar access to low- to moderate-income populations. This should include an emphasis on areas with concentrations of low- to moderate-income households and low solar adoption to date, and areas where future affordable housing will be developed.

### **ACTION V.8.C: PROVIDE INCENTIVES FOR RENTERS AND LANDLORDS TO PARTICIPATE IN SUSTAINABILITY PROGRAMS**

Landlords and multifamily property owners can take advantage of rebate programs for energy-efficient and sustainable investments provided by Austin Energy, as well as “property-assessed clean energy” or PACE financing.

- For multifamily property owners, Austin Energy provides rebates on a variety of energy-efficient and sustainable features, including insulation, energy-efficient lighting, efficient HVAC systems, cool roofs, solar shading, efficient water heaters, and more.
- PACE financing allows property owners to take advantage of low-cost, long-term loans for the installation of solar systems and other energy- and water-efficient features. This financing option improves cash flow because savings from the energy efficiency interventions often outweigh the expense of the loan payments and interest.

Ensuring that all landlords, including small landlords, are aware of these benefits could help improve uptake. NHCD and other City departments should help cross-promote these benefits to community partners and developers in order to increase program utilization.

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<sup>38</sup> Danielle Murray, 2018, “Expanding Access to Solar,” Presentation for Austin Energy Affordable Energy Summit, provided by author.

## **OBJECTIVE V.9: INCREASE ACCESS TO HEALTHY, AFFORDABLE FOOD FOR ALL RESIDENTS**

Work with efforts to decrease areas experiencing **food insecurity** due to lack of grocery stores or markets and work with grocery chains, farmers' markets and local lenders to fill gaps. Ensure affordable housing is developed in locations that have **access to healthy, affordable food choices**.

### **ACTION V.9.A: WORK WITH EFFORTS TO DECREASE AREAS EXPERIENCING FOOD INSECURITY DUE TO LACK OF GROCERY STORES, AND ENSURE AFFORDABLE HOUSING IS DEVELOPED IN LOCATIONS THAT HAVE ACCESS TO HEALTHY, AFFORDABLE FOOD CHOICES.**

The City's Office of Sustainability is working on the Austin Food Access Initiative, which includes the following key action items:

- Complete a comprehensive Food Environment Analysis of each district in Austin and use the
- resulting Food Environment Maps to inform evaluation of new projects.
- Expand Healthy Food Retail Initiatives to provide funding for a diverse array of food-related
- projects based on community input and decision-making.
- Increase local food production through community gardens and urban farms.
- Pilot a Nutritious Food Incentives Program, in collaboration with Central Texas Food Bank and Sustainable Food Center, to expand buying power for produce at traditional brick-and-mortar retail.
- Improve awareness about nutritious food and assistance options through SNAP outreach pilot programs and a coordinated outreach campaign delivered to residents by Community Health Workers.
- Incorporate food access into comprehensive development, public safety, and transportation

planning efforts to create Safe Routes to Markets.

The Food Environment Analysis is nearly complete and will be incorporated in the *Atlas of Existing and Historical Conditions* that accompanies this Strategic Housing Blueprint Implementation Plan. NHCD should support the Office of Sustainability in moving forward with the remaining steps in the Austin Food Access Initiative, and should particularly target areas with strong food access as well as safe, multi-modal transportation options for the development of new affordable housing developments.

### **ACTION V.9.B: WORK WITH GROCERY CHAINS, FARMERS' MARKETS AND LOCAL LENDERS TO FILL GAPS IN FOOD ACCESS.**

As noted in **Action V.9.A**, the Austin Food Access Initiative recommends:

- Expanding Healthy Food Retail Initiatives to provide funding for a diverse array of food-related projects based on community input and decision-making and piloting a Nutritious Food Incentives Program to expand buying power for produce at traditional brick-and-mortar retail. Stakeholders noted that this should include integrating the "Double Dollar" or "Double Up Food Bucks" program to brick-and-mortar stores if possible; this program allows SNAP recipients to purchase double the amount of produce at farmers' markets compared to the dollar value of their SNAP subsidy.
- Increasing local food production through community gardens and urban farms.

Stakeholders in the SHBI process also recommended identifying City-owned property for the creation of grocery options that include affordable, healthy food in areas where the Food Environment Analysis suggests that there is a gap in food access. NHCD should support the Office of Sustainability in coordinating with the public land analysis described in **Action III.5.C**.

## **OBJECTIVE V.10: IMPROVE ACCESS TO AFFORDABLE, QUALITY COMMUNICATIONS AND DIGITAL SERVICES**

### **ACTION V.10.A: CONTINUE TO EXPAND SUPPORT FOR THE CITY'S DIGITAL INCLUSION PLAN AND DIGITAL INCLUSION STRATEGIC PLAN AND ENSURE ACCESS TO SUCH SERVICES IN THE DEVELOPMENT OF ALL AFFORDABLE HOUSING, BOTH NEW AND REHABILITATED**

Stakeholders in the SHBI process noted that including a computer lab in individual affordable housing properties may be difficult due to lack of funding for staffing, programming, and resident training. Instead, they recommended **ensuring that residents have direct access to computer labs located at libraries and Travis County community center facilities**, where resources, training, and additional programs for job hunting and other services are available. This might include providing shuttle services or transit subsidies to enable residents to access these services. Stakeholders also recommended coordinating workshops with residents of individual affordable housing complexes using connections to the City's Digital Inclusion trainers.

# IMPLEMENTATION MATRIX

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*A variety of housing types and funding sources are considered as strategies for meeting Austin's housing goals (source: ACDDC).*

Community Value	Objective	Action	Phasing
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.1: Expand the Use of Community Land Trusts and other forms of Shared Equity Ownership	Action I.1.A: Dedicate additional resources to shared equity ownership programs.	<p>Immediate: Issue request for information</p> <p>Short-term: Devote resources in City budget</p> <p>Long-term: Allocate public land through priority use process with a preference for shared-equity projects (as appropriate based on development site)</p>
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.1: Expand the Use of Community Land Trusts and other forms of Shared Equity Ownership	Action I.1.B: Dedicate additional resources to shared equity ownership programs.	<p>Short-term: Adopt Land Development Code changes to cooperative developments</p> <p>Long-term: Build capacity and partnerships to implement large-scale community land trust development</p>
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.2: Support Legislation for a Flat Dollar Homestead Exemption for All Taxing Entities	Action I.2.A: Dedicate additional resources to shared equity ownership programs.	Long-term
<p>Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint    <i>Italic</i> = Lead Res</p>			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>RFI issued in 2018-2019</p> <p>Resources devoted in 2018-2019</p>	<p>Public subsidy in the form of public land and direct subsidy dollars</p> <p>Education for prospective homebuyers and renters about the shared-equity model</p> <p>Additional dollars from local lending institutions</p>	<p><i>City Council</i> to allocate funding; <i>NHCD</i> to issue RFI; public agencies including City, AISD, Travis County, Capital Metro to provide land; national lenders and Community Development Financial Institutions to issue shared-equity mortgages</p>	<p>Where public land is available; prioritize sites in rapidly gentrifying areas of the City and high-opportunity areas</p>
<p>Adopt Land Development Code changes to separate cooperative developments from group homes and allow cooperative developments in all areas where multifamily development is allowed.</p> <p>See related actions I.1.A and IV.12.A for other success measures related to diversification of housing options in the Land Development Code.</p>	<p>See related actions I.1.A and IV.12.A.</p>	<p><i>City Council</i> to adopt Land Development Code changes</p>	<p>High-opportunity areas; areas of significant public investment such as the 2016 Mobility Bond Corridors; planned transit investments; and areas with high displacement risk.</p>
<p>Collaborate with other urban areas in the state to discuss when and how to introduce and advocate for passage of this legislation; Introduce and pass legislation designed to accomplish these objectives.</p> <p>Stakeholders noted that much of the rising property tax burden in Austin results from school financing rules and the lack of an income tax at the state level, and that long-term, mitigating this burden may require state-level reforms.</p>	<p>Staff time to advocate at the state level on this issue, including time to collaborate with other jurisdictions on this push to change state law.</p>	<p><i>IGR</i></p>	<p>N/A</p>
<p>Responsible Entity</p>			

Community Value	Objective	Action	Phasing
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.3: Support Legislation or other Mechanisms to Create a Preservation Property Tax Abatement	Action I.3.A: Dedicate additional resources to shared equity ownership programs.	Short-term: Build partnerships with other taxing entities; establish initial NEZ areas and requirements; consider NEZ pilot and allot necessary funds in the 2019-2020 budget  Long-term: Establish additional Neighborhood Empowerment Zones and issue tax abatements
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.4: Prevent Displacement of Low- and Moderate-Income Homeowners	Action I.4.A: The City will continue to explore ways to help stabilize low-income homeowners.	Short-term: Establish Neighborhood Stabilization Loan Program and IDA program
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.4: Prevent Displacement of Low- and Moderate-Income Homeowners	Action I.4.B: Assist 600 low-income households per year with home repair programs, with the objective to help preserve existing housing stock.	Short-term (0-2 years) and ongoing
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Responsibility			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Partnership agreement with counties established</p> <p>Pilot NEZ program and budget authorized in FY 2019-2020; program guidelines and monitoring standards established for pilot</p> <p>Results of pilot utilized to adjust eligibility parameters and calculate a target number of preservation units for an expanded NEZ program through 2027</p>	<p>Staff time; foregone revenue in the form of property tax abatements</p>	<p><i>NHCD</i> to define initial areas and program requirements; <i>Intergovernmental Relations</i> to coordinate with other taxing entities; Finance to maintain list of properties and coordinate with Travis County Appraisal District; <i>City Council</i> to allocate funding; Travis County, Texas Municipal League, HACA</p>	<p>Areas of high displacement risk; Should include multifamily developments as well as mobile home parks</p>
<p>Establishment of Neighborhood Stabilization Loan Program</p> <p>Establishment of Individual Development Account program</p> <p>Number of homeowners stabilized through each program</p>	<p>Funding resources for long-term and/or forgivable loans</p> <p>Funding resources for IDA program</p>	<p><i>City Council</i>; <i>NHCD</i></p>	<p>N/A</p>
<p>Short-term: Administer existing programs and assist at least 600 households per year in 2018 and 2019</p> <p>Short-term: City to work with the Austin Home Repair Coalition to reevaluate existing programs and determine whether any changes are needed during the community engagement and writing process for the next Consolidated Plan, FY 2019-2023.</p> <p>Long-term: Administer programs embodied in the FY 2019-2023 Consolidated Plan, including continued collaboration through the Austin Home Repair Coalition</p>	<p>Funding for ongoing home repair programs; staff time</p>	<p><i>City Council</i> to craft housing bond request for voters; <i>NHCD</i> to craft NOFA each year for next 10 years; established home repair organizations, such as members of the Austin Home Repair Coalition, to implement</p>	<p>Focus on high displacement risk areas, as indicated by the Atlas of Existing and Future Conditions.</p>
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.4: Prevent Displacement of Low- and Moderate-Income Homeowners	Action I.4.C: Build on the success of existing repair and weatherization programs.	Short-term and ongoing
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.4: Prevent Displacement of Low- and Moderate-Income Homeowners	Action I.4.D: Pursue policies to provide assistance to homeowners with financial hardships that threaten their housing	Short-term: Partner with all local taxing entities to adopt Senior Volunteer Tax Break and establish program  Long-term: Establish Homestead Preservation Center or outreach program through a non-profit; create and fund Neighborhood Stabilization Loan Program and potential associated foundation/non-profit that could accept private donations
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.5: Preserve and Create Ownership Options for Households at 80-120% MFI	Action I.5.A: Explore higher income limits in future General Obligation Bond elections.	Short-term: Annual monitoring of median home prices and rental costs against median family income brackets  Long-term: Any action on income limits for future bond elections, if supported by annual monitoring results
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.5: Preserve and Create Ownership Options for Households at 80-120% MFI	Action I.5.B: Incorporate Land Development Code changes that encourage mid-density residential development.	Short-term
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.5: Preserve and Create Ownership Options for Households at 80-120% MFI	Action I.5.C: Expand the City's S.M.A.R.T. Housing Program for higher incomes.	Long-term
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Re			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Evaluate and expand home repair programs as described in Action I.4.B.</p> <p>Yearly tracking of household eligibility for Austin Energy Weatherization Assistance to ensure it meets needs.</p> <p>Offer information about multifamily rebate program, and consider establishing participation requirements, for all multifamily properties involved in City affordability preservation efforts.</p>	<p>Expanded funding for home repair programs as described in Action I.4.B.</p> <p>Continued coordination with Austin Energy weatherization programs.</p>	<p>NHCD (home repair); Austin Energy (weatherization); Austin Home Repair Coalition; Strike Fund</p>	<p>Programs are available to households anywhere in the Austin Energy service area (including the entire city of Austin) that meet eligibility requirements; many of these households are likely located in areas of high displacement risk, or disinvested areas.</p>
<p>All low-income households in Austin with delinquent property in areas of high displacement risk are contacted and able to access stabilization resources within the next five years.</p>	<p>Staff time and partnerships to establish senior volunteer program; funding for Homestead Preservation Center or outreach program; funding and resource development time for Neighborhood Stabilization Loan Program</p>	<p>NHCD; local non-profits for senior volunteer program, outreach programs to homeowners, and administration of neighborhood stabilization program</p>	<p>Areas of high displacement risk</p>
<p>Annual internal report for NHCD completed</p>	<p>Staff time; assistance from Austin Board of Realtors</p>	<p>NHCD; Austin Board of Realtors</p>	<p>N/A</p>
<p>Land Development Code changes adopted that add capacity to develop at least 20,000 mid-density residential units</p>	<p>Staff time to alter and adopt appropriate code designations</p>	<p>PAZ; NHCD; consultants; City Council</p>	<p>Appropriate transitional areas near transit corridors, and Imagine Austin centers and corridors</p>
<p>NHCD to provide recommendations to City Council after Actions IV.3.A, IV.6.A, IV.7.A are complete</p>	<p>Staff time; added resources to cover additional waived fees if program expansion is recommended</p>	<p>NHCD; DSD; City Council</p>	<p>Consistent with S.M.A.R.T. Housing requirements and guidelines</p>
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.6: Coordinate Preservation Strategies with Infrastructure Investments	Action I.6.A: Work with building owners early in the process to help preserve affordability of properties.	Short-term: Use existing tools like the Affordable Central Texas Strike Fund along corridors included in the 2016 Mobility Bond Corridor Program.  Long-term: For financing tools yet to be established and for future infrastructure investments
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.7: Use Incentives to Support the Production of Living Wage Jobs	Action I.7.A: Focus incentives on improving the economic conditions of lower income unemployed or underemployed residents.	Short-Term
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.7: Use Incentives to Support the Production of Living Wage Jobs	Action I.7.B: Increase coordination between relevant city departments to identify potential incentives for the creation of more living wage jobs.	In progress- recommendations provided to Council
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.8: Make Strategic Investments to Minimize Displacement	Action I.8.A: Make robust investments in new development and affordable housing preservation, as well as coordinating targeted investments in economic development, transit, and education.	Short-term and ongoing
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Re			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>10,000 units at 60%-120% MFI preserved through the Affordable Housing Conservancy over 10 years (see Objective II.1)</p> <p>2,000 units preserved through the Preservation Property Tax Abatement over 10 years (see Action 1.3.A)</p>	<p>Redirection of tax revenues through TIF; Strike Fund additional funding for 9,000 more units over 10 years; Forgone tax revenue on incremental value through Preservation Property Tax Abatement</p>	<p><i>NHCD</i> (coordinate establishment of TIF and NEZ/Preservation Property Tax Abatement districts); Affordable Central Texas (Strike Fund); Finance Department (TIF/Preservation Property Tax Abatement), Travis Central Appraisal District</p>	<p>Along corridors funded by the 2016 Mobility Bond and other areas of investment</p>
<p>Adopt and implement Economic Development Policy and associated programs</p>	<p>Funding for incentive programs</p>	<p><i>EDD</i>; City Council to adopt policy; Chamber of Commerce; <i>NHCD</i></p>	<p>Consistent with Economic Development Policy; bonus criteria for incentives include “high frequency transit corridor, Transit Oriented Development, or Regional Center, Town Center, or Neighborhood Center as identified in the Imagine Austin Growth Concept Map and/or locate within ½ mile of a rail or bus stop that is accessible by safe pedestrian and bicycle routes.”</p>
<p>Adoption of final Economic Development Policy by Council</p>	<p>Ongoing resources needed to implement the Economic Development Policy</p>	<p><i>EDD</i>; <i>SMBR</i>; Chamber of Commerce, City Council, Mayor, ACC, Workforce Agencies</p>	<p>N/A</p>
<p>Ongoing meetings of the Housing-Transit-Jobs Action Team</p> <p>Adoption of the Strategic Housing Blueprint Implementation strategy, which includes interrelated objectives and actions</p>	<p>Resources noted throughout the SHBI strategy</p>	<p><i>NHCD</i>; <i>EDD</i>; Capital Metro; <i>ATD</i>; <i>PAZ</i>; City Council</p>	<p>Imagine Austin centers and corridors; high-frequency transit corridors; job centers; high displacement risk areas</p>
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.8: Make Strategic Investments to Minimize Displacement	Action I.8.B: Track which income-restricted units are set to expire in a given year, and target these units with strategies like the Strike Fund, Community Land Trust, and others to help extend the affordability periods.	<p>Short-term: Update Resolution Trust Corporation information and continue to build and maintain comprehensive inventory of affordable units, including expiration dates of income restrictions; share available information on expiring properties with Affordable Central Texas and shared-equity organizations.</p> <p>Long-term: Apply additional incentives to preservation such as Preservation Property Tax Abatement and TIF funds.</p>
Community Value I: Prevent Households From Being Priced Out Of Austin	Objective I.9: Allow Homeowners to Rent a Portion of their House as a Separate Housing Unit	Action I.9.A: Pursue code changes to allow homeowners to convert existing interior residential space into accessory dwelling units they could rent out to help them afford to stay in place	Long-term
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Res			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Comprehensive inventory created and maintained</p> <p>Preserve a minimum of 10,000 expiring affordable units over 10 years</p>	<p>Staff time; funding and incentives for preservation</p>	<p>NHCD; Affordable Central Texas; shared-equity organizations and affordable housing providers; AFD</p>	<p>High displacement risk areas</p>
<p>Adopt Land Development Code and building code changes as necessary</p> <p>Evaluate creation of a loan or grant program for low-income homeowners</p>	<p>Staff time; potential loan or grant dollars</p>	<p>NHCD, DSD, AFD</p>	<p>N/A</p>
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.1: Develop a Strike Fund	Action II.1.A: Design a sustainable economic model for the fund to include: a determination of a fund structure, a framework for the housing portfolio, and options for seeding the fund	Complete
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.1: Develop a Strike Fund	Action II.1.B: Strategically acquire, renovate, and manage existing multifamily buildings to make them affordable long term	<p>Short-term: Continue to coordinate with ACT regarding strategies for repurposing publicly-owned property and LIHTC properties on which the City has right of first refusal</p> <p>Long-term: AHC to meet full preservation goal of 10,000 housing units in 10 years</p>
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Res			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
Complete	N/A	<i>Affordable Central Texas</i>	Near transit, proximate to grocers, schools, jobs, and healthcare services.
AHC to meet full preservation goal of 10,000 housing units in 10 years	\$500 million in investment Subsidy in the form of discounted public land or tax abatements Reduced permitting timelines and costs	<i>Affordable Central Texas</i> to lead preservation; <i>NHCD</i> to lead discussions on City collaboration; ORES; ACD; AFD	Areas of high displacement risk; 2016 Mobility Bond Corridors; high-frequency transit corridors
Responsible Entity			

Community Value	Objective	Action	Phasing
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.2: Implement the City of Austin’s Fair Housing Action Plan and Bolster Enforcement of Existing Fair Housing Requirements	Action II.2.A: Implement the Fair Housing Action Plan in its entirety	<p>Short-term: Pass a Council resolution that directs the Law Department’s fair housing specialist to collaborate with EE/ FHO, NHCD, and the City Manager’s office to create an Affirmatively Furthering Fair Housing training within the City’s online portal that would be required for staff from all departments that interact with the housing and development process, and departments that impact access to opportunity, including economic development, health and parks departments. Develop a fair housing component of the City’s Affordability Impact Statement (AIS), pursuant to Council Resolution 20170803-057. Adopt Land Development Code changes that address issues such as restrictive parking requirements, site area requirements for multifamily development, and restrictive neighborhood plans that can limit protected classes’ access to housing. Continue to develop language access plan for fair housing materials and other key housing information.</p> <p>Long-term: Create a “good landlord” program modeled on national best practices, such as Chicago’s Troubled Building Initiative, to help address code violations while preserving affordability. Secure funding for and provide enhanced matched pair testing and enforcement for lending, steering, leasing and sales for all protected classes, especially persons with disabilities. Implement the City of Austin Urban Parks Work Group recommendations and expand access to parks in areas where concentrations of protected classes do not live within ½ mile of a park.</p>
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Res			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Identify all departments and staff to receive fair housing training. This should include all policy making or policy implementation staff from departments with relevance to fair housing issues, such as DSD, PAZ, ACD, ORES, EDD, APH, PARD.</p> <p>Implementation of fair housing training for all indicated staff by 2020.</p> <p>Implementation of fair housing component of Affordability Impact Statement (AIS)</p> <p>Ability under adopted City development code to meet all Blueprint metrics and goals for access to affordable housing in high-opportunity areas, high-frequency transit areas, across council districts, and in Imagine Austin Centers and Corridors</p> <p>Creation of good landlord program</p> <p>Securing funding for and providing enhanced matched pair testing and enforcement</p> <p>Implementation of City of Austin Urban Parks Work Group recommendations</p>	<p>Funding for matched pair testing, enhanced park access and park development; potential funding for landlord incentives under good landlord program; staff time to create fair housing training and develop fair housing component of AHIS.</p>	<p>EE/FHO; NHCD; ACD; DSD; ALD; AFD; AEO; PARD</p>	<p>N/A</p>
Responsible Entity			

Community Value	Objective	Action	Phasing
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.2: Implement the City of Austin’s Fair Housing Action Plan and Bolster Enforcement of Existing Fair Housing Requirements	Action II.2.B: Require all publicly funded units and projects to comply with Fair Housing rules, Section 504 of the 1973 Rehabilitation Act, and the City’s visitability requirements.	Short-term
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.3: Undertake Strategic Land Banking	Action II.3.A: Strategically acquire and hold land in underdeveloped activity centers and corridors, making it available to private or non-profit developers for the construction of affordable housing as these areas develop.	<p>Short-term: Issue housing bond or other general obligation bonds that can support land banking efforts, assuming voter approval can be secured.</p> <p>Short-term: Develop land banking strategy.</p> <p>Medium-term and ongoing: Begin acquiring properties consistent with land banking strategy. As one stakeholder noted, “Land is always getting more expensive” -- so beginning to acquire properties soon is advisable.</p> <p>Long-term: Establish quasi-governmental redevelopment agency. Consider the role of the Downtown Austin Alliance upon expiration of their charter in 2020, but also ensure that any entity or entities that take on this role can conduct land banking and develop public-private partnerships on a citywide basis.</p>
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.4: Implement Tenant Relocation Assistance Program	Action II.4.A: Identify funding for Tenant Relocation Assistance Program	<p>Short-term: Complete Tenant Relocation Fee Nexus Study and adopt recommendations; Establish fund for tenant relocation</p> <p>Long-term: Increase enforcement capacity</p>

Short-term = 2 years    Long-term = 10 years    \* = Priority Objective, from the Strategic Housing Blueprint    *Italic* = Lead Res

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Establish consistent fair housing, Section 504, and visitability compliance requirements for all projects that receive regulatory and/or financial incentives from the City</p> <p>Convene home builders, developers, and advocates to examine opportunities for more flexible visitability policies that still allow the development of mid-density units</p> <p>Review outcomes for fair housing cases and examine the ability of current EE/FHO staffing to enforce compliance</p>	<p>Staff time to establish requirements; potential additional staff positions to enforce compliance</p>	<p>EE/FHO; DSD; Austin Tenants' Council; Federal enforcement</p>	<p>N/A</p>
<p>Approval of bond funding or other financing by 2019</p> <p>Completion of land banking strategy by 2019</p> <p>First properties acquired by 2020</p> <p>Quasi-governmental redevelopment agency established by 2025</p>	<p>Proposed affordable housing general obligation bond; Staff time and potential consultant hire to develop land banking strategy; Staff time and potential consultant hire to form quasi-governmental redevelopment agency</p>	<p>ORES, City Council, NHCD, EDD, CPO, AHFC, local real estate brokers</p>	<p>High displacement-risk areas; underdeveloped land; areas proximate to Imagine Austin centers and corridors; areas near current and future transit service</p>
<p>Complete Tenant Relocation Fee Nexus study and adopt recommendations</p> <p>Establish enforcement system in collaboration with EE/FHO that allows for tracking of landlords who are repeat violators</p>	<p>Fees or other funding; additional staffing for enforcement of complaints</p>	<p>NHCD and consultants to complete study; DSD; PAZ; EE/FHO to enforce and investigate complaints</p>	<p>N/A</p>

Responsible Entity

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.4: Implement Tenant Relocation Assistance Program	Action II.4.B: Tailor program to provide education and tenant assistance to vulnerable populations, particularly those with language or other barriers.	Medium-term
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.5: Protect Renters from Discrimination Based on Source of Income	Action II.5.A: Support legislation to expand anti-discrimination laws that include verifiable sources of income for all people	Long-term
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.5: Protect Renters from Discrimination Based on Source of Income	Action II.5.B: Modify voluntary S.M.A.R.T. Housing and density bonus programs to include anti-discrimination laws that include verifiable sources of income.	Short-term
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.5: Protect Renters from Discrimination Based on Source of Income	Action II.5.C: Explore mechanisms to encourage landlords to accept vouchers and/or proactively maintain their properties	Medium-term: Landlord education Long-term: Preservation Property Tax Abatement; “good landlord” code enforcement program
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Res			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
Collaboration with tenants' advocates to produce information about the program, available in multiple languages and to residents with other barriers	Staff time; support from community partners	Austin Tenants Council, Legal Aid, BASTA, NHCD	N/A
Passage of new State legislation on source of income discrimination	Staff time for advocacy efforts	IGR; NHCD; EE/FHO	N/A
<p>Passage of Land Development Code changes including relevant density bonus language mandating that property owners not discriminate against tenants with housing vouchers</p> <p>Adoption of similar language for all City incentive programs</p> <p>Explore future opportunities to integrate source of income protection into new incentive programs</p>	Staff time	NHCD; PAZ; City Council	N/A
<p>City to participate with stakeholders in issuing accurate information on HCVs</p> <p>Other measures included in Action I.3.A and Action II.2.A</p>	Philanthropic funding for stakeholder organizations to engage in education effort; staff time from City departments; funds for helping property owners bring their properties up to HUD Housing Quality Standards	Legal Aid; Austin Tenant Council; Austin Apartment Association, Texas Apartment Association, Realtors Association; Housing Works, ABOR; Austin Up; NHCD; Law; EE/FHO; Code. Lead stakeholder organization or coalition needs to be identified.	N/A
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.6: Implement Recommendations in the Austin/Travis County Reentry Roundtable Report	Action II.6.A: Review and revise policies for recipients of city funding to ensure they have reasonable look-back periods for both misdemeanors and felonies, and that there is an appeals process built into the admissions policies.	Medium-term
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.7: Add Flexibility to Occupancy Limits	Action II.7.A: Monitor whether and how occupancy limits have impacted new construction.	Short-term: Complete Demolition Fee Nexus Study  Short-term: Add number of bedrooms per unit to building permit applications (see Action IV.2.C)
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.7: Add Flexibility to Occupancy Limits	Action II.7.B: Adhere to fair housing laws in order to avoid certain communities experiencing disparate impact.	Long-term
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.8: Fully Utilize Homestead Preservation District Tools	Action II.8.A: Establish Homestead Preservation Reinvestment Zones or Tax Increment Financing Districts (TIRZs) to reinvest some portions of property tax dollars from economic development into affordability.	Long-term
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Res			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Establish consistent look-back periods for all projects that receive City funding or incentives, with a maximum look-back period of seven years or less, and much shorter (or no) look-back periods for non-violent misdemeanor crimes.</p> <p>Establish a policy that no project that has received City funding or incentives will consider arrest records alone as a reason to reject a lease application.</p>	<p>NHCD and EE/FHO staff time to create policies; Law staff time to review policies; City Council to adopt policies; Additional staffing for EE/FHO to follow up on policy violations</p>	<p>EE/FHO; NHCD; Law</p>	<p>N/A</p>
<p>Complete Demolition Fee Nexus Study</p>	<p>n/a</p>	<p>NHCD; DSD; consultant to complete study</p>	<p>N/A</p>
<p>Short-term: Complete Demolition Fee Nexus Study</p> <p>Short-term: Examine fair housing complaints re: familial status and student status from 2010-2013 and 2014-2017 and consult with senior housing advocates to determine if complaints have risen</p> <p>Long-term: Potential revisions to occupancy limits ordinance, if warranted by the Demolition Fee Nexus Study and/or the analysis of fair housing complaints</p>	<p>Staff time to examine fair housing complaints; funding for Nexus Study consultants</p>	<p>NHCD; EE/FHO; City Council; AustinUP</p>	<p>N/A</p>
<p>Short-term: Modify TIF policy</p> <p>Long-term: Establish new TIF districts that dedicate a portion of revenue to affordable housing</p>	<p>Staff time; percentage of incremental property tax increases generated within TIF districts</p>	<p>City Council; AFD; NHCD</p>	<p>Areas of rapid property appreciation (70% or more commercial property) that incorporate planned infrastructure investments</p>
<p>Responsible Entity</p>			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.9: Develop Programs, Resources, and Guides to Aid with Small Scale Preservation	Action II.9.A: Identify funding sources and programs to help retain small scale multifamily rental housing stock	<p>Short-term: Create Small Rental Preservation Guide and update this as new incentives and initiatives to preserve small rental housing are created;</p> <p>Medium-term: Establish small rental loan program utilizing general obligation housing bond funds or other funding sources</p> <p>Long-term: Establish “good landlord” program (see Action II.2.A)</p> <p>Long-term: Establish Preservation Property Tax Abatement program and educate small landlords about opportunities (see Action I.3.A)</p> <p>Long-term: Coordinate “good landlord” program with AHC for buyouts of non-compliant landlords</p>
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.10: Pursue Legislation to Allow Rent Control	Action II.10.A: Establish rent price ceilings for specific apartments, providing a greater inventory of affordable housing for those in need.	Long-term
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.11: Pursue Legislation to Allow Inclusionary Zoning	Action II.11.A: Implement inclusionary zoning as allowed.	Short-term
Community Value II: Foster Equitable, Integrated, and Diverse Communities	Objective II.11: Pursue Legislation to Allow Inclusionary Zoning	Action II.11.B: Seek to expand inclusionary zoning powers as a means to increase the affordable housing supply in Austin.	Long-term
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Responsibility			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
Meet above short-term goals by 2020 and long-term goals by 2027	Staff time; funding for small rental loan program; resources described in Actions II.2.A, I.3.A, and II.1.A	NHCD/AHFC to create guide and establish small rental loan program; CDCs focused on small landlords, Austin Board of Realtors, Austin Apartment Association to spread the word about guide; AFD; DSD; ACD	Focus outreach in high displacement-risk areas and areas near major public investments; however, opportunities for preservation should be citywide
Short-term: Adopt rent increase notice requirement policy  Long-term: Conduct economic study of rent control policy  Long-term: Further legislation to allow rent control	Staff time; potential consultant for economic study	IGR; Austin Housing Coalition; support from other municipalities for legislation	N/A
Refine density bonus programs as described in Objective IV.2.	N/A	PAZ; NHCD	Properties eligible to participate in density bonus programs
New legislation passed that provides inclusionary zoning powers to municipalities in Texas	Staff time	IGR, NHCD, Austin Housing Coalition	N/A
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value III: Invest in Housing for Those Most in Need	Objective III.1: Pursue Future General Obligation Bond Elections for Affordable Housing	Action III.1.A: Seek new voter-approved General Obligation Bonds to build and preserve thousands of quality affordable homes.	Short-term
Community Value III: Invest in Housing for Those Most in Need	Objective III.1: Pursue Future General Obligation Bond Elections for Affordable Housing	Action III.1.B: Consider potential for higher income limits in future GO bond elections to allow for homeownership creation at 80-120% MFI.	Long-term
Community Value III: Invest in Housing for Those Most in Need	Objective III.2: Provide Additional Local Fund Appropriations for Affordable Housing	Action III.2.A: Dedicate \$6 million per year in General Fund dollars for the next 10 years to staffing for NHCD, as well as the production of permanently affordable homeownership and long-term affordable housing.	Short-term and ongoing
Community Value III: Invest in Housing for Those Most in Need	Objective III.3: Leverage Low Income Housing Tax Credits and Seek Legislative Changes	Action III.3.A: Bring additional competitive 9% tax credits and non-competitive 4% credits to the City of Austin.	Short-term
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Res			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
New affordable housing GO bond passed in 2018	<p>Philanthropic resources and housing advocates' time dedicated to a campaign for approval of the proposed GO bond dedicated to housing</p> <p>Additional staff capacity to deploy units and monitor new and existing units to ensure that affordability is maintained</p> <p>Developer capacity to utilize bond funds to develop units</p>	Philanthropic community; Austin Housing Coalition and other housing advocates; City Council; voters	Achieve geographic Blueprint goals for housing production and preservation in high-opportunity areas, gentrifying areas, areas near high-frequency transit, and Imagine Austin centers and corridors
By 2027, every Council district will have at least 25% of homeownership units affordable to households of 120% MFI and below.	<p>Passage of Land Development Code changes that increase development capacity by at least 30,000 mid-density residential units citywide</p> <p>Staff time to evaluate homeownership costs in each Council district every two years, or before the passage of any future bond proposal.</p> <p>Potential future GO bond resources, if shown to be needed, to contribute to a revolving loan fund.</p>	<i>City Council</i> ; PAZ; NHCD; voters	Council Districts 9 and 10; potential other districts in the future
<p>All NHCD staff funded through local sources, including General Fund dollars</p> <p>General Fund dollars used to create permanently affordable housing</p>	<p>Staffing funds allocated in annual budget</p> <p>Local sources and General Fund dollars to provide gap financing for permanently affordable housing developments</p>	<i>City Council</i> ; NHCD; local affordable housing developers; TCAD	N/A
<p>Lower 1.7 million population threshold to 1.2 million in the Texas Government Code and in future QAPs</p> <p>Maintain or increase total amount of LIHTC funding secured by developments within the City each year</p>	Staff time; partnerships with Travis County and housing advocates	<i>IGR</i> ; NHCD; Austin Housing Coalition; TDHCA	N/A
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value III: Invest in Housing for Those Most in Need	Objective III.3: Leverage Low Income Housing Tax Credits and Seek Legislative Changes	Action III.3.B: Strategically prioritize applications based on community priorities	Short-term and ongoing
Community Value III: Invest in Housing for Those Most in Need	Objective III.4: Challenge the Private Sector to Participate in a Fund for Affordable and/or Workforce Housing	Action III.4.A: Partner with local employers to contribute to a revolving housing fund	Short-term: NHCD to create a strategy to establish the fund, incentivize employers to invest, and target key sectors in collaboration with the Economic Development Department, Chamber of Commerce, and Affordable Central Texas  Long-term: Establish or designate an entity to manage the fund; create fund guidelines, requirements, and authorizing documents; establish fund and raise initial capital; continue to grow fund over time
Community Value III: Invest in Housing for Those Most in Need	Objective III.4: Challenge the Private Sector to Participate in a Fund for Affordable and/or Workforce Housing	Action III.4.B: Explore partnering with major local employers and institutions to collaborate on innovative co-developments or social investment platforms.	Short-term (study and explore); long-term (implement strategies)
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Res			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Coordinate City priorities with QAP priorities each year</p> <p>Advocate for QAP changes each year as needed to meet Blueprint goals</p> <p>Utilize Development Review Tool to determine which projects should receive City support</p>	<p>Staff time; funding for purchase of data</p>	<p><i>NHCD; City Council; TDHCA</i></p>	<p>Citywide, with a focus on priority geographies indicated in the Blueprint (high-opportunity areas, high-frequency transit proximity areas, Imagine Austin centers and corridors)</p>
<p>Short-term: Strategy created by 2019</p> <p>Long-term: Fund established by 2021; significant capital raised by 2023</p>	<p>Incentives for employers to participate; staff time; partner resources and time</p>	<p><i>NHCD; Fund administrator to be determined; Chamber of Commerce; Affordable Central Texas; City Council</i></p>	<p>Emphasis on investment in areas with transit access to job centers</p>
<p>NHCD, Economic Development, and Chamber of Commerce to present findings to City Council</p>	<p>Staff time; private resources and administrative time during implementation phase</p>	<p><i>NHCD, EDD, Chamber of Commerce</i></p>	<p>N/A</p>
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value III: Invest in Housing for Those Most in Need	Objective III.5: Maximize Public Property to Build or Include Affordable Housing	Action III.5.A: Implement the S.M.A.R.T. Housing ordinance directive that makes affordable housing a priority use for all surplus City properties.	Immediate
Community Value III: Invest in Housing for Those Most in Need	Objective III.5: Maximize Public Property to Build or Include Affordable Housing	Action III.5.B: Develop proposals, bids and partnerships with other public entities who have underutilized land.	Short-term
Community Value III: Invest in Housing for Those Most in Need	Objective III.5: Maximize Public Property to Build or Include Affordable Housing	Action III.5.C: Build affordable housing on developable public land in key locations near transit and job centers	Long-term

Short-term = 2 years    Long-term = 10 years    \* = Priority Objective, from the Strategic Housing Blueprint    *Italic* = Lead Responsibility

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Continue to implement City-owned property disposition framework that includes affordable housing as a priority use and incorporates AHFC's right of first refusal for surplus property</p> <p>Monitor final value of discount as subsidy for affordable development</p> <p>Monitor "but-for" case: units created that would not have been created but for the use of subsidized public land</p> <p>Monitor number of units created in high-opportunity areas, areas in proximity to high-frequency transit, and Imagine Austin centers and corridors specifically</p>	<p>Staff time</p>	<p>AHFC; Office of Real Estate Services; Economic Development; Finance; City Council</p>	<p>N/A</p>
<p>Short-term: Inventory of publicly-owned land completed; multi-agency adopted vision for use of public properties completed</p> <p>Long-term: Implement multi-agency vision; adopt policies such as rights of first refusal for affordable housing departments and agencies; establish quasi-public redevelopment authority as proposed in Action II.3.A</p>	<p>Staff time; funding to facilitate acquisition of publicly-owned properties</p>	<p>CAPCOG; NHCD; Capital Metro; Travis County; State of Texas; City of Austin/AISD Board of Trustees/Travis County Commissioners Court Joint Committee; other regional partners</p>	<p>N/A</p>
<p>Ensure that near-term sites for redevelopment identified in Action III.5.E are near transit and job centers</p> <p>Complete study of ground lease strategy that would provide tax benefits in return for extended affordability period</p> <p>See Action III.5.A, Action III.5.B, Action III.5.E for further measures</p>	<p>Staff time; funding to facilitate acquisition of publicly-owned properties; property disposition framework for City properties</p>	<p>ORES; NHCD; PAZ; City Council</p>	<p>Areas within ¼ mile of high-frequency transit, and within ½ mile of Imagine Austin centers and corridors</p>
Responsible Entity			

Community Value	Objective	Action	Phasing
Community Value III: Invest in Housing for Those Most in Need	Objective III.5: Maximize Public Property to Build or Include Affordable Housing	Action III.5.D: Purchase State-owned lands as they come up for sale.	<p>Short-term: Develop inventory of strategic State-owned properties</p> <p>Long-term: Purchase strategic properties that are put up for sale</p>
Community Value III: Invest in Housing for Those Most in Need	Objective III.5: Maximize Public Property to Build or Include Affordable Housing	Action III.5.E: Co-locate affordable housing with other public facilities including fire stations, libraries, community centers, offices, etc.	<p>Short-term: Create inventory of City-owned sites that could be intensified; identify five near-term sites; study sites for feasibility; establish policy on public facilities</p> <p>Long-term: Competitively position at least five City owned sites for redevelopment that incorporates affordable housing</p>
Community Value III: Invest in Housing for Those Most in Need	Objective III.6: Utilize TIFs for Affordable Housing	Action III.6.A: Create a responsible and effective TIF program.	<p>Short-term: Create a TIF strategy that:</p> <p>Recommends potential locations for new TIFs given major upcoming public infrastructure investments and development opportunities.</p> <p>Considers and finalizes a recommendation to raise the cap for total citywide appraised value included in TIFs to be more consistent with other Texas cities.</p> <p>Considers and finalizes a recommendation to dedicate a minimum percentage of revenue to affordable housing in all new TIFs. This Strategic Housing Blueprint Implementation study recommends that all new TIFs include at least 25% of revenue dedicated to affordable housing.</p> <p>Long-term: Establish new TIFs that allow the City to invest in infrastructure while also investing in affordable housing to help minimize displacement of current residents and loss of affordability.</p>
<p>Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint    <i>Italic</i> = Lead Res</p>			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Property inventory of desired State properties developed.</p> <p>If funding and suitable properties are available, one to five properties purchased over the next 10 years.</p>	<p>Staff time; GO bond or other funding to purchase properties</p>	<p><i>NHCD</i>; Office of Real Estate Services</p>	<p>Purchase in high-opportunity areas for near-term development; purchase in areas of high or growing displacement risk to preserve affordability; purchase for land banking in areas of low market pressure that will see future transit or infrastructure investments</p>
<p>Inventory finalized and near-term sites identified by 2019</p> <p>Competitively position at least five City owned sites by 2027</p>	<p>Alignment of City departments on key priorities; discounted land costs for redevelopment; funding to subsidize affordable components of redevelopment</p>	<p><i>Real Estate; PAZ; City Council; NHCD</i>; Legal</p>	<p>Citywide; preference for Blueprint priority areas including high-opportunity areas, high-frequency transit proximity areas, Imagine Austin centers and corridors</p>
<p>TIF strategy completed by 2020</p> <p>All new TIF districts after 2020 to include at least 25% of revenue dedicated to affordable housing</p>	<p>Staff time and potential consultant to complete TIF strategy; dedicated incremental TIF revenues</p>	<p><i>NHCD; AFD; ALD; PAZ; CPO</i>; City Council</p>	<p>Areas of high displacement risk; areas near major public investments</p>
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value III: Invest in Housing for Those Most in Need	Objective III.7: Utilize Social Impact Bonds/Pay for Success Models for People Experiencing Homelessness	Action III.7.A: A coalition of community partners will implement pilot projects targeting people experiencing homelessness who are also frequent users of the criminal justice and emergency medical systems, through Permanent Supportive Housing and other supportive services.	Currently underway as of 2018
Community Value III: Invest in Housing for Those Most in Need	Objective III.8: Utilize the National Housing Trust Fund	Action III.8.A: Clearly and more narrowly define state priority needs and target populations in the Five Year State Consolidated Plan.	Short-term (2019-2020 update of Consolidated Plan)
Community Value III: Invest in Housing for Those Most in Need	Objective III.9: Support the Creation of Deeply Affordable Units Serving People at 20% MFI and Below	Action III.9.A: Focus resources and funding on housing that is affordable to this income bracket (20% MFI).	Short-term and ongoing
Community Value III: Invest in Housing for Those Most in Need	Objective III.10: Support Efforts to Prevent and End Homelessness	Action III.10.A: Continue to expand the inventory of units with lower screening criteria regarding sobriety, criminal history, credit history, or other behaviors generally held to indicate a lack of "housing readiness."	Short-term and ongoing
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Res			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>ECHO executes the Pay for Success contract with all parties: City, County, Central Health, CCC, Episcopal Health Foundation and private funders</p> <p>ECHO reports learnings from initial pilot phase</p> <p>ECHO and Social Finance successfully raise the private capital needed to fund the project</p> <p>80 clients are housed within first 12 months of the project.</p>	<p>Additional investment to support ongoing services and rents,</p> <p>Funding for additional 20,000 units at 0-30% MFI, as specified in Blueprint</p> <p>Funding for at least 100 units of permanent supportive housing per year, as specified in Blueprint</p>	<p><i>ECHO</i>, City of Austin, Travis County, Central Health</p>	<p>N/A</p>
<p>Additional specificity in NHTF allocations in five-year state Consolidated Plan update</p>	<p>Staff time</p>	<p><i>IGR</i>; NHCD</p>	<p>N/A</p>
<p>Service at least 20 people without a voucher and under 20% MFI each year in non-permanent supportive housing</p>	<p>Extensive public-sector and philanthropic funding; partnerships with local and national high-capacity non-profits; discounted publicly-owned land; transit vouchers for residents</p>	<p><i>NHCD</i>, philanthropic institutions, non-profits, Capital Metro</p>	<p>Within ¼ mile of high-frequency transit corridors</p>
<p>Pass GO Bond funding to support additional investment in permanent supportive housing</p> <p>100 permanent supportive housing units, including 50 Housing First units, produced each year</p> <p>Ensure reasonable look-back requirements</p> <p>Examine and alter credit requirements for publicly-supported properties if needed</p>	<p>Staff time; GO Bond funding and other sources of funding</p>	<p><i>City Council</i>, voters, <i>ECHO</i>, NHCD, Affordable housing developers and providers; APH; Social service providers; Leadership Committee on PSH Finance</p>	<p>Add PSH units near services such as libraries, grocery stores and social service providers, and near high-frequency transit routes</p>
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value III: Invest in Housing for Those Most in Need	Objective III.10: Support Efforts to Prevent and End Homelessness	Action III.10.B: Work with private landlords to accept chronically homeless residents.	Short-term
Community Value III: Invest in Housing for Those Most in Need	Objective III.11: Focus Federal Funds in Housing Investments	Action III.11.A: Continue to leverage federal dollars through all available funding sources, targeting current and future federal assistance for housing needs.	Short-term and ongoing
Community Value III: Invest in Housing for Those Most in Need	Objective III.12: Incentive Programs	Action III.12.A: Explore all possible mechanisms, including those requiring legislative changes, to incentivize the development of income-restricted affordable housing through fee waivers. Identify all current fees and potential future fees.	Short-term: Fee analysis including all departments involved in the development process to determine opportunities for waiving additional fees for affordable housing developments, including City-funded affordable housing developments and developments completed through the S.M.A.R.T. Housing program  Long-term: Results of fee analysis incorporated into S.M.A.R.T. Housing structure
Community Value III: Invest in Housing for Those Most in Need	Objective III.13: Expand the Supply of Housing for People with Disabilities	Action III.13.A: Create 20,000 housing units affordable to people making at or below 30% MFI.	Short-term and ongoing
Community Value III: Invest in Housing for Those Most in Need	Objective III.13: Expand the Supply of Housing for People with Disabilities	Action III.13.B: 100% of ground floor units that are funded by the City will be adaptable and 25% will be accessible.	Short-term: NHCD to coordinate with DSD on enforcement and tracking of this policy  Ongoing: All developments with City funding to incorporate 100% adaptable and 25% accessible units on the ground floor
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Res			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
Increased placement of people exiting homelessness in private-market apartments; improved long-term housing stability; ongoing landlord education	Funding for placement support	<i>NHCD</i> , Market developers and small-scale landlords, Austin Apartment Association	N/A
Dedicate 75% or more of CDBG dollars to affordable housing each year.	CDBG funds; staff time	<i>City Council</i> , <i>NHCD</i> , <i>EDD</i> , regional partners, other City departments currently using CDBG funds	Citywide; potentially regional
Agreement and plan for S.M.A.R.T. Housing fee waivers completed by 2020	Foregone fee revenue; staff time; potential consultant assistance	<i>NHCD</i> , <i>ACD</i> , <i>ALD</i> , <i>DSD</i> , <i>PAZ</i> , <i>EDD</i> , <i>WPD</i> , Austin Water, Austin Energy	N/A
20,000 additional housing units will be affordable to households at or below 30% MFI by 2027.	<p>For new construction: Wide array of funding sources including GO Bond funds, ESG funds, formula housing grant funds, philanthropic funds, Pay For Success funds (see Action III.7.A), National Housing Trust Fund dollars (see Action III.8.A); staff time; community development corporations; homeless service providers</p> <p>For home repair: Coordinate home repair programs in Action I.4.B to serve this population</p>	<i>NHCD</i> ; <i>ECHO</i> ; community development corporations; philanthropy; homeless service providers; home repair providers	New construction should focus near high-frequency transit, job centers, and supportive and public services
Meet the established metrics for all projects utilizing any City funding	Staff time for development review and communication with developers	<i>DSD</i> ; <i>NHCD</i> ; developers	

Responsible Entity

Community Value	Objective	Action	Phasing
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.1: Adopt Affordable Housing Goals to Guide Policy*	<p>Action IV.1.A: At least 25% of new income-restricted affordable housing should be in high opportunity areas.</p> <p>Action IV.1.B: 25% of affordable housing created or preserved to be within ¼ mile of high-frequency transit (this is transit service that provides service every 15 minutes or better throughout most of the day, on weekdays and weekends).</p> <p>Action IV.1.C: At least 75% of new housing units should be within 1/2 mile of Imagine Austin Centers and Corridors.</p> <p>Action IV.1.F: Develop 135,000 housing units at specified income levels to meet housing needs, as shown in the chart below.</p>	Long-term
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.2: Implement Consistent Density Bonus Programs for Centers and Corridors*	Action IV.2.A: Implement a consistent density bonus program for Imagine Austin Centers and Corridors where larger buildings are deemed acceptable.	<p>Short-term: Adopt Land Development Code changes that include a citywide density bonus program that is contextualized to promote dense development along appropriate corridors and within Imagine Austin Centers, and mid-density housing within residential neighborhoods.</p> <p>Long-term: Target a significant expansion of density bonus unit production over and above the projected production for current programs; coordinate with Austin Housing Coalition and for-profit developers on any revisions to processes needed to ensure affordable housing developers can access subsidy for density bonus projects that include deep affordability</p>
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Res			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
Housing unit goals achieved	Housing bond. Not all resources needed for implementation are covered in this report. According to the Strategic Housing Blueprint, \$6.48 billion is needed to implement the plan.	NHCD, City Council	N/A
<p>Economic modeling of proposed density bonus programs completed by 2020</p> <p>Implementation of Land Development Code changes by 2021</p> <p>Significant increase over currently projected production of affordable housing units for households at 61-80% MFI through density bonus programs over the next 10 years</p> <p>Ongoing coordination with affordable housing providers to ensure opportunities exist for production</p>	Allocated funding for consultant assistance in modeling; PAZ, DSD, NHCD staff time	<i>City Council</i> to allocate resources for consultant; PAZ, NHCD, DSD to devote staff time; Austin Housing Coalition; for-profit developers	Existing density bonus areas; high-opportunity areas; high-frequency transit corridors; 2016 Mobility Bond Corridors; Imagine Austin centers and corridors; mid-density zoning districts
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.2: Implement Consistent Density Bonus Programs for Centers and Corridors*	Action IV.2.B: Incentivize and provide additional opportunities for housing units with two bedrooms or more, particularly in high opportunity areas.	Short-term (0-2 years) and Ongoing
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.3: Streamline City Codes and Permit Processes*	Action IV.3.A: Integrate and coordinate permitting processes across all departments in order to expedite developments that include income-restricted affordable units.	Short-term
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.4: Provide Additional Funding to Monitor Austin's Affordable Housing Investments*	Action IV.4.A: Hire third-party vendors to assist in performing physical inspections for a subset of the portfolio.	Long-term (3-10 years)
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.4: Provide Additional Funding to Monitor Austin's Affordable Housing Investments*	Action IV.4.B: Address monitoring requirements with appropriate NHCD staffing levels and elevate staffing needs as required.	Short-term and ongoing
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.5: Better Utilize Land for Affordable Housing	Action IV.5.A: Continue to offer density bonuses as well as reduced parking and lot width and setback requirements for developments that include a significant number or percentage of units that are required to be affordable to very low-, low- or moderate-income households for at minimum 40 years	Short-term
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Res			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Short-term: Add bedroom count tracking to the AMANDA system and monitor number of 2+ BR affordable units created</p> <p>Long-term: Use a density bonus program adopted through Land Development Code changes to incentivize the production of two- and three-bedroom affordable units</p>	Staff time	<p><i>DSD</i> to add bedroom sizes for affordable and market-rate units to AMANDA</p> <p><i>PAZ</i> to lead Land Development Code change process that will incorporate density bonus requirements as proposed in Action IV.2.A</p>	N/A
<p>Dedicated S.M.A.R.T. Housing staff hired in DSD by 2019 and retained through 2027</p> <p>S.M.A.R.T. Housing projects receive all necessary permits in 90 days or fewer</p>	<p>Funding for coordinated, streamlined permitting for developments including a sufficient percentage of affordable units, including reinstatement of dedicated S.M.A.R.T. Housing DSD review staff</p>	<p><i>City Council</i> to prioritize funding for S.M.A.R.T. Housing permitting staff; DSD to implement expedited permitting with new staff hires</p>	All areas eligible for S.M.A.R.T. Housing
<p>Funding allocated to hire third-party vendors by 2019</p> <p>Annual inspections of at least one-tenth of the City's affordable units from 2020-2027 and ongoing</p>	<p>Funding for third-party vendors; NHCD staff time</p>	<p><i>City Council</i> to allocate funding; NHCD to issue annual solicitations for services and supervise vendors</p>	N/A
<p>Annual review of staffing requirements submitted to City Council prior to budget allocations</p> <p>Reporting requirements enforced for entire affordable inventory each year</p>	<p>Funding for adequate NHCD staff levels; NHCD staff time</p>	<p><i>City Council</i> to allocate funding; NHCD to monitor</p>	N/A
<p>Measurable increase in usable site area and projected unit yields for projects incorporating affordable units within city code</p>	Staff time	<p><i>PAZ</i>; NHCD; CPO</p>	<p>Urban core; Imagine Austin centers and corridors; high-opportunity areas; areas within ¼ mile of high-frequency transit</p>
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.6: Revise S.M.A.R.T. Housing Program	Action IV.6.A: Revise the S.M.A.R.T. Housing Program to lengthen the affordability period and to better balance developer benefits with unit construction	Short-term
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.7: Implement Density Bonus Program for Missing Middle Housing	Action IV.7.A: Create density bonus programs that allow for smaller units.	Short-term: Revise the Land Development Code to create density bonus programs including smaller units and/or increased subdivision options for developments that incorporate affordable units  Long-term: Increased affordable units produced through density bonus programs compared to existing projections
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.7: Implement Density Bonus Program for Missing Middle Housing	Action IV.7.B. Implement reduced parking requirements for developments located within ¼ mile of high-frequency transit.	Long-term
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.8: Allow the Development of Smaller Houses on Smaller Lots	Action IV.8.A: Consider land development code changes that make it easier to build smaller houses on smaller lots.	Underway
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.9: Create Pre-Approved Standard Plans for Infill Development	Action IV.9.A: Study the utilization of upfront development of a comprehensive menu of high quality housing designs that are compatible with a variety of neighborhoods and meet the needs of median-income and entry-level buyers, versus other programs designed to help low- and middle-income homeowners.	Long-term

Short-term = 2 years    Long-term = 10 years    \* = Priority Objective, from the Strategic Housing Blueprint    *Italic* = Lead Res

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Land Development Code changes to lengthen affordability requirements for S.M.A.R.T. Housing</p> <p>DSD/NHCD funded to implement S.M.A.R.T. Housing review teams</p> <p>S.M.A.R.T. Housing projects benefit from increased development entitlements, fee waivers, and reduced parkland dedications as appropriate</p>	<p>Increased DSD staff for reduced review times (see Action IV.3.A), development fee revenues to offset fee waivers, staff time to make code changes</p>	<p><i>City Council</i> to allocate resources and request code changes; DSD to administer rapid S.M.A.R.T. Housing review; NHCD to assist in funding and coordination as needed</p>	<p>N/A</p>
<p>Land Development Code revisions implemented</p>	<p>Staff time</p>	<p><i>PAZ; DSD; NHCD</i></p>	<p>High-opportunity areas; areas within ¼ mile of high-frequency transit; Imagine Austin Centers and Corridors</p>
<p>Land Development Code changes to reduce or unbundle parking requirements for developments within ¼ mile of high-frequency transit</p>	<p>Staff time</p>	<p><i>PAZ; DSD; NHCD</i></p>	<p>N/A</p>
<p>Adopt Land Development Code changes to reduce minimum lot sizes for single-family neighborhoods, enable duplex development, and eliminate provisions that make dense historic neighborhoods nonconforming</p>	<p>N/A</p>	<p><i>City Council; PAZ</i></p>	<p>N/A</p>
<p>Conduct study on benefits and costs of housing design development versus alternative programs</p>	<p>Staff time; stakeholder participation in study; potential resources to implement final recommended program to help low-to-moderate-income homebuyers</p>	<p><i>DSD; PAZ; Community partners</i> including non-profits, builders, architects, residents; NHCD</p>	<p>N/A</p>
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.10: Relax Regulations on Internal and External Accessory Dwelling Units	Action IV.10.A: Reduce restrictions in more parts of Austin to allow internal and external ADUs to be built	Short-term
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.11: Relax Regulations on More Affordable Housing Products	Action IV.11.A: Expand availability of micro-units.	Short-term
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.12: Relax Regulations on Housing Cooperatives	Action IV.12.A: Reduce barriers to cooperative development by providing a specific zoning designation for cooperatives	Short-term
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Re			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
Adopt Land Development Code changes that increase potential for ADU development	Staff time; Council and Commission time	<i>City Council; PAZ; NHCD</i>	Urban core; transition zones; single-family neighborhoods; high-opportunity neighborhoods
Adopt Land Development Code changes that increase the areas zoned for mid-density and ADU development	Staff time	<i>PAZ; City Council; NHCD</i>	High-opportunity areas; single-family neighborhoods; areas within ¼ mile of high-frequency transit; Imagine Austin centers and corridors
<p>Adopt Land Development Code changes that establish a separate zoning category for cooperative housing and do not treat it similarly to group homes. Permit cooperative development through Minor Use Permit in lower-intensity residential zones and by right in higher-intensity residential zones.</p> <p>Grow opportunities for multi-family and mid-density development throughout the city through Land Development Code changes.</p> <p>Promote limited-equity cooperatives that offer affordable housing opportunities by making these developments eligible for density bonus programs and re-invigorating the S.M.A.R.T. Housing program</p>	Staff time	<i>PAZ; City Council; NHCD</i>	Areas that allow dense and mid-density development, including Imagine Austin centers and corridors, transit corridors, and transition zones
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.13: Utilize Planned Unit Developments (PUDs) to Provide a Range of Affordability	Action IV.13.A: Programs and regulations should continue to provide incentives to developments that help address affordability goals in PUDs	Short-term
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.14: Increase Housing Diversity in New Subdivisions	Action IV.14.A: Subdivision regulations should incentivize the development of a range of housing types, including mid-density residential housing and co-housing formats	Short-term
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.15: Support Legislation to Create a Multifamily Property Tax Exemption Program	Action IV.15.A: Allow all multifamily unit types to participate in a tax exemption program in exchange for on-site affordability; should incorporate an incentive for building larger units so that families have more affordable housing choices throughout the city	Long-term
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.16: Complete an Affordable Housing Nexus Study	Action IV.16.A: Assess potential market and economic impacts of setting different fees on new types of development	See Action III.12.A
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.16: Complete an Affordable Housing Nexus Study	Action IV.16.B: Use fees to fund the construction of new affordable housing units; Establish “linkage fees” for types of new residential or non-residential development	Long-term
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Res			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>PAZ to work with NHCD to negotiate for a minimum percentage of affordability in application processes for all PUDs that have a residential component</p> <p>City Council to set a minimum threshold for affordability and establish a graded system of superiority for increasing percentages of affordability in all PUDs that have a residential component</p>	Staff time; City Council time	<i>City Council; PAZ; NHCD</i>	N/A
<p>Ensure base zoning near all Imagine Austin centers and corridors promotes mid-density residential and co-housing types; reduce minimum lot sizes for subdivisions, including areas in the ETJ</p>	Staff time	<i>PAZ; City Council</i>	Imagine Austin centers and corridors; areas of greenfield development
<p>Gain agreement from other taxing bodies on program requirements and value; approach state legislature to pass needed legislation; establish program if legislation is passed</p>	Staff time, loss of exempted property taxes	<i>IGR</i>	N/A
See Action III.12.A	See Action III.12.A	See Action III.12.A	See Action III.12.A
<p>Reverse State legislation to re-enable the use of linkage fees</p>	Staff time; partnerships with other municipalities	<i>IGR</i>	N/A
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.17: Consider Building and Fire Code Modifications to Allow Six Stories of Wood Frame Construction	Action IV.17.A: Review the possibility of increasing allowable height for economical wood frame construction	Long-term
Community Value IV: Create New and Affordable Housing Choices for All Austinites in All Parts of Austin	Objective IV.18: Develop Real-Time Database of Housing	Action IV.18.A: Maintain and enhance housing database; acquire ongoing funding for staff and administration	Short-term
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Res			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Participation in the 2021 International Building Code development process, including supportive votes on high-rise wood construction related amendments where appropriate</p> <p>Adoption of 2021 International Building Code through future code amendment process.</p>	Staff time	<i>DSD; AFD; PAZ; NHCD</i>	N/A
Comprehensive database that covers the City’s entire portfolio and monitors key Blueprint metrics	Staff time; potential funding for new staff and ongoing administration of affordable housing	<i>NHCD</i>	N/A
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.1: Strengthen Scoring Criteria and Develop Policies for Housing Near Current and Future Transit Service	Action V.1.A: Utilize RHDA for developments of all sizes, even those too small to participate in the Low-Income Housing Tax Credit program.	Short-term
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.1: Strengthen Scoring Criteria and Develop Policies for Housing Near Current and Future Transit Service	Action V.1.B: Amend scoring criteria and other policies to prioritize a greater percentage of assistance in areas currently serviced by public transportation	Short-term
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.2: Minimize the Displacement of Core Transit Riders	Action V.2.A: Encourage the preservation of affordable housing near transit corridors.	Short-term; Ongoing
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.3: Link Housing Choices with Transportation Choices	Action V.3.A: Support Land Development Code changes that amend regulations and entitlements to ensure density is supported around transit stations.	Short-term
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.3: Link Housing Choices with Transportation Choices	Action V.3.B: Support Land Development Code changes that utilize tools such as density bonuses and parking reductions when income-restricted affordable housing is provided in and around transit corridors.	Short-term
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Res			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
Increasing number of mid-density housing units funded through RHDA over time	Work on scoring criteria to improve transit access as criteria	NHCD	n/a
Short-term: Finalize revised RHDA scoring criteria to meet Council District goals, including goals for housing near transit  See other measures of success in Actions I.5.B, IV.2.A, IV.3.A, V.4.B	Staff time; new staffing resources for S.M.A.R.T. Housing rapid review	DSD; NHCD; City Council; CapMETRO; ATD	Within ¼ mile of high-frequency transit corridors as described in Connections 2025 and Austin Strategic Mobility Plan
Short-term: Coordination with Affordable Central Texas; creation of a plan for City direct preservation initiatives and incentive packages for preservation of affordable properties near transit corridors  Long-term: Meet goal of 25% of affordable units produced and/or preserved within ¼ mile of high-frequency transit	Dedication of dollars through tax-increment financing districts, GO bonds, or other available sources; foregone taxes and revenues through Preservation Property Tax Abatement and fee waivers; home repair dollars; Austin Energy resources through Customer Assistance Program, weatherization programs, and multifamily programs; potential resources dedicated to low-interest financing fund	NHCD, Affordable Central Texas, AFD, EDD, AW, AE, CPO, Capital Metro	Within ¼ mile of high-frequency transit corridors
Adopt Land Development Code changes to create transition zones as stated in recommendation	Staff time	PAZ; City Council; ATD; NHCD	High-frequency transit corridors and nodes served by transit
Land Development Code changes that expand density bonus programs to significantly increase affordable unit production over next 10 years	Staff time	PAZ; City Council; NHCD; ATD	Within ¼ mile of high-frequency transit corridors and ½ mile of identified station areas
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.3: Link Housing Choices with Transportation Choices	Action V.3.C: Strengthen policies to direct public subsidies for the preservation and creation of income-restricted affordable housing within ¼ mile of a transit stop.	Short-term and ongoing
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.3: Link Housing Choices with Transportation Choices	Action V.3.D: Prioritize infrastructure investments in activity centers and along activity corridors. Infrastructure is critical to developing a transit-supportive environment and thus ridership.	Short-term and ongoing
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.4: Comprehensive Parking Reform	Action V.4.A: Clarify the definition of frequent transit service to reduce parking requirements in transit areas	Short-term
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.4: Comprehensive Parking Reform	Action V.4.C: Reduce parking requirements for multifamily housing that are within 1/4 mile of frequent transit service, and for multifamily or mixed-use developments that incorporate income-restricted affordable housing units.	Short-term
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.4: Comprehensive Parking Reform	Action V.4.D: Review parking requirements for accessory dwelling units and other small-scale housing types in single family areas.	Short-term
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Res			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Short-term: Create educational campaign associated with Project Connect; convene relevant agencies to produce a standard definition of transit proximity for use in all incentive programs and public land dedication programs</p> <p>Long-term: See long-term goals in related actions including I.6.A, I.8.A, II.1.B, II.3.A, III.5.A, III.5.B, V.1.B, and V.2.A</p>	<p>Incentives and public land programs described elsewhere in Blueprint.</p>	<p>NHCD, Capital Metro, AFD, EDD, DSD, ORES, PAZ, ATD</p>	<p>Within ¼ mile of a high-frequency transit corridor</p>
<p>Majority of bond-funded investments for infrastructure improvements occur within ½ mile of Imagine Austin centers and corridors.</p>	<p>GO bonds, other City funding resources</p>	<p>ATD, PWD, CPO</p>	<p>Within ½ mile of Imagine Austin centers and corridors</p>
<p>Consistent definition of high-frequency transit service, including relevant nearby areas, adopted for all incentive programs, zoning designations, and other City of Austin policies</p>	<p>Staff time</p>	<p>ATD, Capital Metro, PWD, PAZ, EDD, CPO</p>	<p>To be determined</p>
<p>Passage of Land Development Code changes that include reductions in multifamily parking requirements within ¼ mile of high-frequency transit; rewrite of TCM considers reductions for multifamily properties near transit and for mixed-income and affordable properties</p>	<p>Staff time</p>	<p>PAZ; ATD; NHCD</p>	<p>Within ¼ mile of high-frequency transit corridors and within ½ mile of identified station areas</p>
<p>Revision of regulations related to parking requirements for ADUs</p>	<p>N/A</p>	<p>City Council</p>	<p>Single-family neighborhoods</p>
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.5: Increase Bikeability and Walkability	Action V.5.A: Increase bicycle infrastructure, bike lanes, and bike share facilities near affordable housing developments and end-of-the-line transit stops	Short-term and ongoing
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.5: Increase Bikeability and Walkability	Action V.5.B: Increase funding for sidewalks.	Long-term
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.5: Increase Bikeability and Walkability	Action V.5.C: Amend Sidewalk Master Plan scoring criteria to award points for filling in gaps in sidewalks between affordable housing developments and transit.	Complete
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.6: Align Sidewalk Master Plan with Imagine Austin	Action V.6.A: Amend Sidewalk Master Plan scoring criteria to award points to direct investment in sidewalks within centers and corridors where there is or is likely to be higher frequency transit service.	Complete Ongoing; long-term outcomes
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.7: Ensure Access to Affordable Care and a Healthful Environment	Action V.7.A: Strengthen and expand accessible preventative care for all residents.	Ongoing; long-term outcomes
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Res			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
<p>Short-term: Within the revised Transportation Criteria Manual (see Action V.4.C), reduce parking requirements for multifamily properties in return for provision of bike share stations and bike share subsidies for residents will be found within the Transportation Demand Management guidelines.</p> <p>Long-term: Prioritize new bike lanes and bicycle infrastructure near affordable housing and end-of-the-line transit stops in future bond issues</p>	<p>GO bond funding for infrastructure; staff time; developer contributions through TDM</p>	<p>ATD; PWD; PAZ; NHCD; City Council, CPO</p>	<p>Areas within ¼ mile of existing affordable housing developments, end-of-the-line transit stops, and high-frequency transit corridors</p>
<p>Increase funding for sidewalks beyond projections in the Sidewalk Master Plan</p>	<p>Fee-in-lieu; Tax Increment Financing districts</p>	<p>ATD; PWD; Finance</p>	<p>Priority areas defined by the Sidewalk Master Plan</p>
<p>Complete</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>
<p>Complete</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>
<p>Adopt and implement displacement-prevention strategies as described throughout Community Value I</p> <p>Support Central Health and collaborators in implementing mobile clinic and FQHC strategies</p>	<p>n/a</p>	<p>Central Health, APH, East Side Health and Wellness Collaboration, St. David's</p>	<p>High displacement-risk and future displacement-risk areas; urban edge and areas that lack FQHCs for new FQHC investments and mobile clinics.</p>
Responsible Entity			

<b>Community Value</b>	<b>Objective</b>	<b>Action</b>	<b>Phasing</b>
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.7: Ensure Access to Affordable Care and a Healthful Environment	Action V.7.B: Locate affordable housing development in areas with access to affordable healthcare.	Long-term
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.8: Increase Opportunities for Households to Reduce Utility Costs	Action V.8.A: Review existing programs that encourage weatherization as well as efficient household appliances, fixtures, and mechanical systems.	Short-term
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.8: Increase Opportunities for Households to Reduce Utility Costs	Action V.8.B: Explore programs that reduce initial costs for sustainable features such as solar energy.	Short-term: Continue to implement and monitor success of pilot programs; Austin Energy to meet with NHCD to strategize about additional implementation for low- to moderate-income customers  Long-term: Expand pilot projects to additional low- to moderate-income households as appropriate
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.8: Increase Opportunities for Households to Reduce Utility Costs	Action V.8.C: Provide incentives for renters and landlords to participate in sustainability programs	Short-term

Short-term = 2 years    Long-term = 10 years    \* = Priority Objective, from the Strategic Housing Blueprint    *Italic* = Lead Responsibility

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
At least 50% of new income-restricted affordable housing located within a 20-minute walk shed or transit shed from affordable healthcare and/or co-located services.	Funding for additional healthcare investments; staff time for monitoring and mapping	<i>Central Health</i> to implement co-location and additional healthcare options; <i>APH and NHCD</i> to work together on monitoring City investments and service locations compared to affordable housing	Areas of emphasis for development of future affordable housing, including high-frequency transit corridors and Imagine Austin centers and corridors
Continue to implement outreach and education to gain enrollment in Weatherization Assistance Program	Staff time and marketing funds from Austin Energy outreach staff	AE	Areas of high displacement-risk; however, Austin Energy's programs are available throughout their service area so they should be focused on all eligible households
Expansion of affordable solar energy programs to additional low- to moderate-income households	Funding for expansion of pilot programs	AE; NHCD	Areas of high low- to moderate-income households and low solar adoption
Improve uptake of Austin Energy programs through cross-promotion with City programs to increase awareness and through partner outreach	Staff time	AE; AW; NHCD; DSD; OoS; community partners such as Austin Green Energy Group	Areas of high displacement risk; areas of ongoing development

Responsible Entity

Community Value	Objective	Action	Phasing
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.9: Increase Access to Healthy, Affordable Food for All Residents	Action V.9.A: Work with efforts to decrease areas experiencing food insecurity due to lack of grocery stores, and ensure affordable housing is developed in locations that have access to healthy, affordable food choices.	Short-term
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.9: Increase Access to Healthy, Affordable Food for All Residents	Action V.9.B: Work with grocery chains, farmers' markets and local lenders to fill gaps in food access.	Short-term and ongoing
Community Value V: Help Austinites Reduce Their Household Costs	Objective V.10: Improve Access to Affordable, Quality Communications and Digital Services	Action V.10.A: Continue to expand support for the City's Digital Inclusion Plan and Digital Inclusion Strategic Plan and ensure access to such services in the development of all affordable housing, both new and rehabilitated	Short-term
Short-term = 2 years    Long-term = 10 years    * = Priority Objective, from the Strategic Housing Blueprint <i>Italic</i> = Lead Responsibility			

Measure of Success	Resources Needed	Responsible Entity	Geographic Focus
Ensure food access is included in Development Review Packet once the Food Environment Analysis is completed	<p>Staff time and structure to formalize a cross-departmental and cross-agency working group structure to address and strategize to meet clients' non-medical needs such as housing, transportation and food access.</p> <p>Staff time and resources to align with other COA outreach to low-income communities to cross-promote services, discounts and programs that can offset household expenditures (i.e. Nutritious Food Incentive Program, AE Weatherization Program, Down Payment Assistance).</p> <p>Staff time and resources to conduct community engagement in high priority areas as identified through the Food Environment Analysis and funding for Community Health Workers to assist with outreach and engagement.</p> <p>Additional funding for continuation of the SNAP enrollment campaign.</p>	OoS; NHCD; AE	Areas identified as gaps in Food Environment Analysis
<p>Short-term: Expand Healthy Food Retail Initiatives including Double Dollar program</p> <p>Long-term: Develop new grocery options in areas suggested by the Food Environment Analysis</p>	Potential dedication of public land for new grocery options	OoS; NHCD; ORES; EDD; APH	Areas prioritized by the Food Environment Analysis
<p>NHCD, Housing Authority, and Office of Digital Inclusion to meet to develop a strategy for connecting Digital Inclusion trainers with affordable housing residents</p> <p>Examine potential for shuttle services or other mechanisms for increasing affordable housing residents' access to computer labs at existing public facilities</p>	Staff time; potential funding for shuttle or transit subsidies	OTRA, NHCD, HACA	N/A
Responsible Entity			



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