Public Hearing:
Community Needs Assessment

FY 2013-2014 Action Plan

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Senior Research Analyst, NHCD

Presentation to
Community Development Commission
Thursday, April 4, 2013
Presentation Outline

I. What is Affordable Housing and Household Affordability?

II. NHCD’s Mission and Financial Overview

III. What is a Community Needs Assessment?

IV. Fitting the Pieces Together – HUD’s Planning Process

V. Consolidated Plan – Key Policy Initiatives

VI. Data Profile Update and Market Conditions

VII. Community Development Week

VIII. Important Dates Overview

IX. Action Plan Community Input
   – Public Hearings
   – Neighborhood Meetings
   – Additional Opportunities

X. Questions

NHCD: Neighborhood Housing and Community Development
HUD: U.S. Department of Housing and Urban Development
What is Affordable Housing and Household Affordability?

Affordable Housing:
Housing in which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities.

Definition from HUD

Household Affordability (Priority Program #6):
Household affordability is about the costs of housing, utilities, taxes and transportation.

Definition from Imagine Austin

Based on Median Family Income:

- 30% of Median Family Income: $15,400 for 1-person household; $21,950 for a 4-person household
- 50% of Median Family Income: $25,650 for 1-person household; $36,600 for a 4-person household
- 80% of Median Family Income: $41,000 for 1-person household; $58,550 for a 4-person household

Per HUD as of December 2012 for the Austin-Round Rock-San Marcos MSA
**Mission:**
To provide housing, community development and small business development services to benefit eligible residents, so they can have access to livable neighborhoods and increase their opportunities for self-sufficiency.

**Local Funding Sources:**
- Sustainability Fund
- Housing Trust Fund
- UNO Housing Trust Fund

**Federal Funding Sources:**
- Community Development Block Grant (CDBG)
- HOME Investment Partnership Block Grant

**Uses of New Funds**
- Housing Development $6,416,982 47.9%
- Support Services $4,353,294 32.5%
- Debt Services $605,774 4.5%

**Sources of New Funds**
- Sustainability Fund $3,620,194 27.0%
- CDBG/HOME Grants $9,122,015 68.1%
- Housing Trust Fund $602,132 4.5%
- UNO Housing Trust Fund $55,265 0.4%

City of Austin Financial Overview FY 2012-2013
Total New Funding $13,399,606
To accomplish our mission, NHCD directly administers a variety of programs to serve the community's housing, community development and economic development needs and provides grant funding to various agencies and non-profit organizations.

The entire $55 million from the 2006 Affordable Housing General Obligation (G.O.) bond funds being expended or otherwise committed to projects.

CDBG and HOME Federal funding levels have been reduced by almost 40% from amounts received 5 years ago –

We have been notified to expect another 5% this Fiscal Year.
What is a Community Needs Assessment?

The Action Plan encompasses 10 key areas, many of which require engagement to help prioritize needs:

- Resources and Objectives
- Annual Objectives
- Activities to be Undertaken
- Outcome Measures
- Geographic Distribution
- Affordable Housing
- Public Housing
- Homeless and Other Special Needs
- Barriers to Affordable Housing
- Other Actions
Fitting the Pieces Together
HUD’s Planning Process

Goals
• Needs Assessment
• Geographic Area
• Funding Sources (Federal and Local)

1. Geographic Priorities
2. Priority Needs
3. Market Conditions
4. Anticipated Resources
5. Institutional Structure

The NEW HUD CPD Maps tool is being made publicly available to community stakeholders: http://egis.hud.gov/cpdmaps/

5 Year ’09-‘14 Consolidated Plan

CAPER: Consolidated Annual Performance and Evaluation Report
2009-2014 Consolidated Plan
Key Policy Initiatives

• **Promote Core Values**
  – Long-Term Affordability
  – Geographic Dispersion
  – Deeper Levels of Affordability

• **Encourage Private Sector Development of Affordable Housing**
  – Developer Incentives
  – Public/Private Partnerships

• **Expand Alternative Revenue Sources**
  – Housing Trust Fund
  – Shared Equity Model

• **Provide Leadership**
  – Leadership and Education
  – Housing Market Study
  – Comprehensive Plan (Imagine Austin)
  – Council Initiatives and Policies
Data Profile Update

Austin’s Individual Poverty Rate

Source: 2005-2011 U.S. Census ACS 1-Year Estimates Table B17001

Extremely Cost Burdened Rental Trend

Source: 2005-2011 U.S. Census ACS 1-Year Estimates Table B25070

Median Gross Rental Rate Trend

Source: 2005-2011 U.S. Census ACS 1-Year Estimates Table B25003

Homeowner vs. Rental Trend

Source: 2005-2011 U.S. Census ACS 1-Year Estimates Table B25064
### Market Conditions

#### How has Austin Changed?

| Change in Austin Household Incomes 2005-2011 |
|---------------------------------------------|---|---|---|---|---|---|---|
| HH's 2005                                 | 13,492 | 50,195 | 59,234 | 46,551 | 50,938 | 14,231 | 291,693 |
| HH's 2011                                 | 12,989 | 51,422 | 67,150 | 57,951 | 65,200 | 21,832 | 333,593 |
| Change                                    | -503 | 1,227 | 7,916 | 11,400 | 14,262 | 7,601 | +41,900 |
|                                          | -3.7% | +2.4% | +13.4% | 24.5% | 28.0% | +53.4% | 14.4% |
| # of 2011 HH to keep 14.4% growth rate   | 15,435 | 57,425 | 67,763 | 53,254 | 58,273 | 16,281 | N/A |
| Shortage/ Surplus                         | -2,446 | -6,001 | -614 | 4,697 | 6,927 | 5,552 |  | 

**HH's 2005**

- Extremely Low Income 0-30% MFI
- Very Low Income 30-50% MFI
- Low Income 50-80% MFI
- Moderate Income 80-120% MFI
- Middle Income 120%-250% MFI
- High Income 250%+ MFI

**HH's 2011**

- Extremely Low Income 0-30% MFI
- Very Low Income 30-50% MFI
- Low Income 50-80% MFI
- Moderate Income 80-120% MFI
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- High Income 250%+ MFI

**Change**

- Extremely Low Income 0-30% MFI
- Very Low Income 30-50% MFI
- Low Income 50-80% MFI
- Moderate Income 80-120% MFI
- Middle Income 120%-250% MFI
- High Income 250%+ MFI

**Needed:**

- Extremely Low Income 0-30% MFI
- Very Low Income 30-50% MFI
- Low Income 50-80% MFI
- Moderate Income 80-120% MFI
- Middle Income 120%-250% MFI
- High Income 250%+ MFI

*Assuming Standard Distribution within Census Data Income Groups*

**Source:** U.S. Census American Community Survey Table DP03

We are continuing to focus on deep affordability < 50% MFI as data indicates these households are not growing with Austin’s rapid growth as a result of household affordability.
Affordable Housing Gap

Affordable Rental Housing Supply Gap

- 750,500 people
- 307,000 households
- 54% renters
- 166,000 households
- 27% earn <$20,000
- 45,000 households
- 4% of rental units that are affordable
- 7,150 units
- Gap of 37,600 Rental Units

Affordable Homeownership Supply Gap

- 750,500 people
- 307,000 households
- 46% owners
- 141,000 households
- Renters earning <$35,000
- 3% of detached units are affordable
- 10% of attached units are affordable
- Renters earning <$50,000
- 16% of detached units are affordable
- 36% of attached units are affordable
- Renters earning <$75,000
- 44% of detached units are affordable
- 64% of attached units are affordable

Source: Comprehensive Housing Market Study March 2009, Prepared by BBC Research and Consulting
Community Development Week
April 1st through April 5th 2013

Community Development Week is:
- An annual campaign designed by the National Community Development Association (NCDA)
- Focuses local as well as national attention on the importance of the Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) Programs

This year in celebration of Community Development Week, we launched a campaign going on all week showcasing how we are able to impact so many lives!

www.austintexas.gov/blog/5-ways-change-life

NCDA is a national non-profit organization comprised of local government members that administer community development, affordable housing, and economic development programs, including the CDBG and HOME programs.
## Important Dates Overview

**FY 2013-2014 Action Plan**

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
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<tbody>
<tr>
<td>March 20</td>
<td>Community Needs Assessment Period Begins</td>
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<tr>
<td>April 1-26</td>
<td>Meetings with various Commissions, Neighborhood Groups, and Partner Organizations</td>
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<td>April 1-5</td>
<td>Community Development Week</td>
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<td>April 4</td>
<td>Community Development Commission (CDC) <strong>Public Hearing</strong> on Community Needs Assessment</td>
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<td>April 11</td>
<td>City Council <strong>Public Hearing</strong> on Community Needs Assessment</td>
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<td>April 26</td>
<td>Community Needs Assessment Period Ends</td>
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<tr>
<td>June 1</td>
<td>30-Day Public Comment Period on Draft Action Plan Begins</td>
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<td>June 18</td>
<td>Community Development Commission (CDC) <strong>Public Hearing</strong> on Draft Action Plan</td>
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<td>June 20</td>
<td>City Council <strong>Public Hearing</strong> on Draft Action Plan</td>
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<tr>
<td>July 1</td>
<td>30-Day Public Comment Period on Draft Action Plan Ends</td>
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<tr>
<td>July 9</td>
<td>CDC Final Recommendations on Draft Action Plan</td>
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<tr>
<td>August 8</td>
<td>City Council Takes Action on Final Action Plan</td>
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<td>August 15</td>
<td>Action Plan due to HUD</td>
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Action Plan Community Input:
Public Hearings

I. Community Needs Assessment
6:30pm, Thurs. April 4, 2013:
Community Development Commission
301 W. 2\textsuperscript{nd} Street, Austin City Hall

4:00pm, Thurs. April 18, 2013:
Austin City Council Meeting
301 W. 2\textsuperscript{nd} Street, Austin City Hall, Council Chambers

II. DRAFT Action Plan
6:30pm, Thurs. June 13, 2013:
Community Development Commission
301 W. 2\textsuperscript{nd} Street, Austin City Hall

4:00pm, Thurs. June 20, 2013:
Austin City Council Meeting
301 W. 2\textsuperscript{nd} Street, Austin City Hall, Council Chambers
Action Plan Community Input:  
Additional Opportunities

SpeakUp Austin Online Forum:
https://austintexas.granicusideas.com/ideas
“Completing the Picture of Austin’s Needs”

E-mail:
Public Comments may be submitted to
NHCD@austintexas.gov

Mail:
Public Comments may be submitted via mail to
NHCD
ATTN: Action Plan
P. O. Box 1088
Austin, Texas 78767

Staff Presentations:
NHCD Staff are available to make presentations to outside organizations and groups
QUESTIONS?

City of Austin
Neighborhood Housing and Community Development Office
512.974.3100
www.austintexas.gov/housing