

A FRAMEWORK FOR AN OPPORTUNITY-RICH SITING POLICY FOR  
AFFORDABLE HOUSING IN AUSTIN, TEXAS

CHDO Roundtable May 2012

The CHDO Roundtable supports the adoption of a framework for siting affordable housing in Austin, Texas that will lead to more opportunities for renters and homeowners to live safely and affordably in all neighborhoods in Austin. We contend that high-quality affordable housing in Austin is possible through public investment and other incentives, and that the City of Austin has a proven track record of increasing opportunities for its residents and stabilizing the communities in which they and their neighbors live.

It is our vision that high-quality affordable housing serving people of all income levels be made available through creative solutions in all parts of town as has been successfully demonstrated in neighborhoods such as the former Mueller airport site and the University Neighborhood overlay located just west of the University of Texas. Elements of this vision include:

1. Income-eligible homeowners receive home repair services city-wide.
2. Income-eligible first-time homebuyers receive homeownership services city-wide.
3. Income-eligible renters, including residents who need permanent supportive housing and/or housing accessible for people with disabilities, have opportunities to rent safe and decent housing city-wide.

We oppose any siting policy that removes opportunities for safe and decent affordable rental housing in any specific part of Austin. Given the fact that, when compared to the rest of the country, the entire City of Austin is a high-opportunity area, it is not appropriate to impose restrictions on investment that might be very appropriate in other cities across the country. Our focus and the City's focus should be on creative, opportunity-rich solutions that are eminently feasible if implemented sooner rather than later rather than on discussions of where disinvestment should occur.

Housing policies of the past in Austin focused investment in lower-income "target" neighborhoods, reinforcing income and racial segregation. *An opportunity-rich siting policy can increase housing opportunities in neighborhoods where there are few or no opportunities currently.*

Similarly, there are neighborhoods where the amount of private market housing that is affordable is diminishing, and incentives that reward net preservation are essential to offset the trend of involuntary displacement of lower income homeowners and renters. Whereas in the last century, Austin's segregation practices and housing policies forced people of color and households with lower-incomes into specific parts of the city, today many of these same people now have generational ties with family members; businesses; schools and places of worship in these areas that they treasure and fear that they will lose because of skyrocketing property values and rising taxes. *An opportunity-rich siting policy must allow for new homeownership opportunities; timely home-repairs for long-time homeowners; preservation of existing affordable housing; and the creation of new affordable rental units in traditionally low-income neighborhoods that are transforming into higher-opportunity areas.*

Accessibility for people with disabilities; maintenance of all housing in a safe and sanitary condition; and creating proximity of housing to public transportation and services must be goals linked to an opportunity-rich siting policy that involves both investment and entitlement decisions.

Austin can chose to use its code enforcement resources to identify the least healthy and most unsafe properties in neighborhoods throughout the City in an effort to align its investment decisions to create both housing affordability and safe neighborhoods. We contend that no one wants to live near substandard housing, and a combination of appropriate investment and enforcement can make every neighborhood safer.

There is public land available throughout Austin. Some of the land owned by the City of Austin and other public entities is zoned "P" (public), and building affordable housing on these parcels may not be allowed currently unless a zoning change occurs. Austin should create an inventory of all the publicly-owned land and the zoning that currently exists. Rezoning appropriate parcels to "P" and making housing that meets certain affordability standards a permitted use in "P" zoning districts could be an effective strategy for achieving geographic dispersion through one city-wide conversation instead of multiple skirmishes over zoning and Future Land Use Map changes in areas with adopted neighborhood plans. Land located in flood plains; over and/or adjacent to former landfill sites; close to pipelines; and/or in the airport noise contour are not appropriate sites for affordable housing investment and/or entitlement and must be identified during the inventory process.

The appropriate use of public land, when combined with zoning entitlements; infrastructure cost participation; and other incentives can be critical in achieving the goal of geographic dispersion of housing affordability in neighborhoods in all parts of Austin. In this spirit, all existing density bonus policies must be re-examined and re-calibrated when necessary to improve their effectiveness.

Maps, market studies, and other planning tools that currently inform City investment decisions must be updated so that policy makers have the latest information about current trends and gaps in affordable housing opportunities. Generic, objective mapping should be combined with Austin-specific valuation given to opportunities and benefits garnered from linkages to family, community, and religious congregations that so often help sustain households with low income.

In the context of Central Texas' future projected growth, the trend toward a lack of affordability of all types of housing in all parts of town may seem inevitable to some, but it is not. We believe that it is vital for the City of Austin to place itself at the front of demographic trends by creating and taking advantage of opportunities. To that end, we present the following framework for an equitable, affordable, opportunity-rich siting policy for housing affordability that consists of three elements:

1. Up-to-date demographic analysis of present data and future trends as related to both NEEDS and OPPORTUNITIES
2. Setting GOALS over time, geography, and types of households served
3. Creation of NEW OPPORTUNITIES

Based on this framework, we offer the following Action Plan recommendations for FY 2012-2013

1. Map and inventory opportunities – Inventory public land, delinquent tax-payer parcels, and distressed and vacant properties for affordable housing
2. Update the Kirwan opportunity map
3. Inventory need – Conduct a new market study, including information for affordable housing needs subpopulations: persons with disabilities, seniors, families, and people with criminal histories
4. Long-term Goals – Create a long-term plan that sets goals over time (10-20 years) and associate these goals with geography and the entire housing spectrum

**Creatively expand the opportunities for housing that is safe, decent and affordable in all parts of town by recommending the following actions:**

- 1. Land use – Make housing affordability a permitted use on all land zoned “P” and re-zone City land to “P” where appropriate**
- 2. Collaborate with Travis County, school districts, Capital Metro, and the State of Texas to identify parcels appropriate for achieving housing affordability**
- 3. Explore opportunities for land leases with other public entities**
- 4. Assess opportunities for sub-leasing**
- 5. Collaborate with the Housing Authority of the City of Austin and the Travis County Housing Authority**
- 6. Move toward implementation of Community Land trusts**
- 7. Consider land-banking as a tool where appropriate**
- 8. Promote and incent affordable housing in amenity-rich areas of Austin**
- 9. Give favorable scoring for proposed housing applications in higher opportunity areas while balancing investment to also mitigate market pressures for involuntary displacement of lower income households**
- 10. Develop and/or enhance financial and development incentives**

**For a siting policy to be effective, it must not become an unfunded and/or underfunded local mandate. Voters are scheduled to consider possible additional General Obligation bonds for housing affordability in November 2012. We ask the Community Development commission to recommend and the City Council to adopt the following:**

- 1. Funding for the affordable housing investment gap identified in the budget presentation to the Community development Commission at its May 8, 2012 meeting**
- 2. Transitional funding for FY 2012-2013 for home repair activities requested by the Austin Home Repair Coalition**
- 3. Carrying forward to FY 2012-2013 the unspent funds from the Holly repair program**
- 4. Allowing Austin voters to consider approving \$110,000,000 in General Obligation Bonds for affordable housing in November 2012**
- 5. Including in the FY 2012-2013 City budget funding for the restoration of fast-track/top-of-the-pile review and inspection of S.M.A.R.T. Housing that has been funded so that housing affordability opportunities can be created more quickly**