

RESOLUTION NO. 20130117-061

WHEREAS, on November 7, 2006, voters approved \$55 million in General Obligation Bonds (Bonds) to address affordable housing needs within the City of Austin; and

WHEREAS, all Bonds for affordable housing that were approved in 2006 have been issued and funds fully committed; and

WHEREAS, the 2006 affordable housing Bonds leveraged \$196.2 million in additional funding, supporting the construction of 3,417 new homes and apartments; and

WHEREAS, according to an April 2012 study by Civic Economics, the 2006 affordable housing Bonds resulted in at least 2,579 construction or permanent jobs with an estimated program economic impact of \$384 million; and

WHEREAS, a 2010 report prepared by a working group of the Austin Area Research Organization, HousingWorks Austin, Urban Land Institute-Austin, and the Real Estate Council of Austin recommended pursuing a new issue of affordable housing Bonds in 2012 to expand the capacity of public-private partnerships to create and retain city-wide affordability; and

WHEREAS, the City of Austin brought forward a Bond election on November 6, 2012 at which Proposition 15 for affordable housing was supported by 48.58% of individuals who voted on Proposition 15; and

WHEREAS, the City of Austin has immediate needs for a broad range of affordable housing that serves a wide variety of needs including: women, children, veterans, seniors, working families, the chronically homeless, and people with disabilities; and

WHEREAS, in 2011, 21% of Austin's residents lived below the federal poverty line of \$22,350 for a family of four, including approximately 28% of school-aged children and 10% of residents over the age of sixty five; and

WHEREAS, the Austin Housing Market Study by BBC Research & Consulting showed the highest risk of homelessness and the greatest need for rental housing among residents with incomes at or below 30% of Austin's median family income (MFI), or \$21,950 in annual income for a family of four in 2013; and

WHEREAS, the Austin Independent School District's Project HELP (Homeless Education and Learning Program) reported in 2010-2011 school year that it served 1,894 homeless children and youth as defined by Section 725 of the federal McKinney-Vento Act; and

WHEREAS, housing instability for youth has been directly linked to decreased educational performance and housing instability for adults has been directly linked to lack of job placement success as well as health risks to individuals of all ages; and

WHEREAS, the City of Austin has immediate opportunities for matching private, State and Federal grants and other leveraging of local affordable housing funds, and

WHEREAS, providing capital funding for affordable housing from debt obligations using G.O. Bonds requires voter approval; and

WHEREAS, the Imagine Austin Comprehensive Plan adopted on June 15th, 2012, after two years of extensive consensus-oriented citizen input, identified key challenges and opportunities including preserving livability, tackling the ethnic divide and promoting prosperity for all; and

WHEREAS, the City of Austin, in adopting Imagine Austin, resolved to develop policies to increase the availability of affordable housing including housing for very low-income persons through new and innovative funding mechanisms such as public/private partnerships; and

WHEREAS, Imagine Austin also calls for a reduction in homelessness and for homelessness prevention through long-term supportive housing, mental health services, counseling, and alcohol and drug treatment; and

WHEREAS, the Imagine Austin near-term work plan includes targeting the use of public funds over the next 1 to 3 years for the lowest-income households, including those who are homeless, at risk of homelessness, or who have other special needs; and

WHEREAS, on May 20th, 2009, the Federal Government passed into law the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act to coordinate the response to homelessness and create a national partnership at every level of government with the private sector to reduce and end homelessness in the nation while maximizing the effectiveness of the government in contributing to the end of homelessness; and

WHEREAS, the 2010 'Open Doors' national plan from the United States Interagency Council on Homelessness puts forward a collaborative path to ending all types of homelessness by providing access to stable and affordable housing, increasing economic security, improving health and stability and by transforming homeless services to crisis response systems that prevent homelessness and rapidly return people who experience homelessness to stable housing; and

WHEREAS, in March 2011 the City Council adopted the City of Austin Permanent Supportive Housing (PSH) Strategy which identified a need for 1,889 additional units and a near-term plan for the construction and operation of at least 350 PSH units utilizing proven approaches that prioritize the chronically homeless and frequent users of public systems to achieve the greatest cost avoidance to taxpayers by reduced emergency room care, jail time and lack of re-entry into the work force; and

WHEREAS, national cost studies and objective evidence of intervention efficacy and metrics of self-sufficiency prepared for the City of Austin by the Corporation for Supportive Housing in September 2010 cited a 50% reduction in incarceration rates, 50% reduction in emergency room visits, an 85% reduction in detoxification services and a 50% increase in earned income by residents of PSH; and

WHEREAS, the City Council has by Resolutions 20121213-098 and 20121213-065 undertaken efforts to identify short-term funding opportunities for affordable housing programs and long-term opportunities through the Housing Trust Fund; and

WHEREAS, the City of Austin has an interest in improving the quality of life of all of its citizens, **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Manager is directed to identify and take preliminary steps to authorize an election for voter consideration of a General Obligation Bond Proposition for affordable housing.

BE IT FURTHER RESOLVED:

The City Manager is directed to review previous practices of the City of Austin and best practices of other cities to identify long-term sources of funding for affordable housing, including , but not limited, to permanent supportive

housing, single family and multi-family ownership and rental opportunities, rental assistance, preservation programs, and home repair programs .

BE IT FURTHER RESOLVED:

The City Manager is further directed to report back to council, no later than February 14th, 2013 regarding a timeline for required actions, stakeholder presentations, public input, and briefings to City Council that will include the following topics to consider the full spectrum of housing affordability:

- Timing of possible elections and associated deadlines.
- Estimated debt capacity at the city's current tax rate.
- The return on investment of target housing categories based on leveraging outside funding.
- National information regarding cost avoidance for cities and other service entities of target housing categories.
- National and statewide approaches to affordable housing, existing research and applicable benchmarks.
- Recap of the work done by the 2012 Bond Election Advisory Task Force relating to affordable housing bonds.
- Community input from Imagine Austin and the 2012 bond development effort.

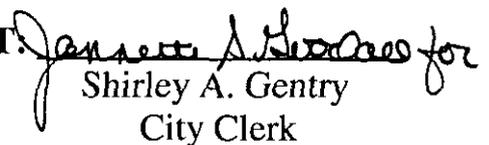
- A needs assessment of affordable housing and available community data on targeted subpopulations.
- Existing project scoring matrix, market studies, siting policies and neighborhood outreach programs.
- Comparative practices undertaken by peer cities of providing the community with voter information.
- Bond ballot language based on consideration of 2006 ballot language.
- Update on current plans for tax ratification and/or bond elections of other governmental jurisdictions within the City of Austin.
- Schedule for review of information by the Public Health and Human Services Committee and other committees that council may decide should review this information.

BE IT FURTHER RESOLVED:

The proposed bond package shall not exceed the projected total debt capacity within the City's current tax rate.

ADOPTED: January 17, 2013

ATTEST:


Shirley A. Gentry
City Clerk