

Neighborhood Housing and Community Development Department Review



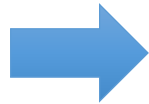
April 12, 2017

City of Austin, TX



Who We Are!

59
FTEs



6
Homebuyer
Counselors
and Loan
Specialists

16
Construction,
Financial &
Development
Experts

13
Real Estate,
Planners,
Project
Coordinators

13
Monitors,
Auditors, &
Compliance
Specialists

11
Customer
Service &
Outreach
Specialists



380
Homebuyer
Counseling
Services Provided
through
HousingSmarts

51
Development
Project and
subrecipient
monitoring events

120
Community
outreach and
education events

150
Affordable units
by density bonus
programs
(regulatory)

HOUSING & COMMUNITY DEVELOPMENT SERVICES

21
Down Payment
Assistance
Services
Provided

4,086
Affordable
units from 2006
and 2013 Bonds

75
Households
Assisted with
Tenant-based
Rental
Assistance
Services

71%
of Affordable
Units Created or
Retained with Two
or More
Bedrooms

708
Repair Services
Provided to
Homeowners
During the Fiscal
Year

13
Permanent
Supportive
Housing (PSH)
Units in Rental
Housing
Developer
Assistance
Funded
Developments

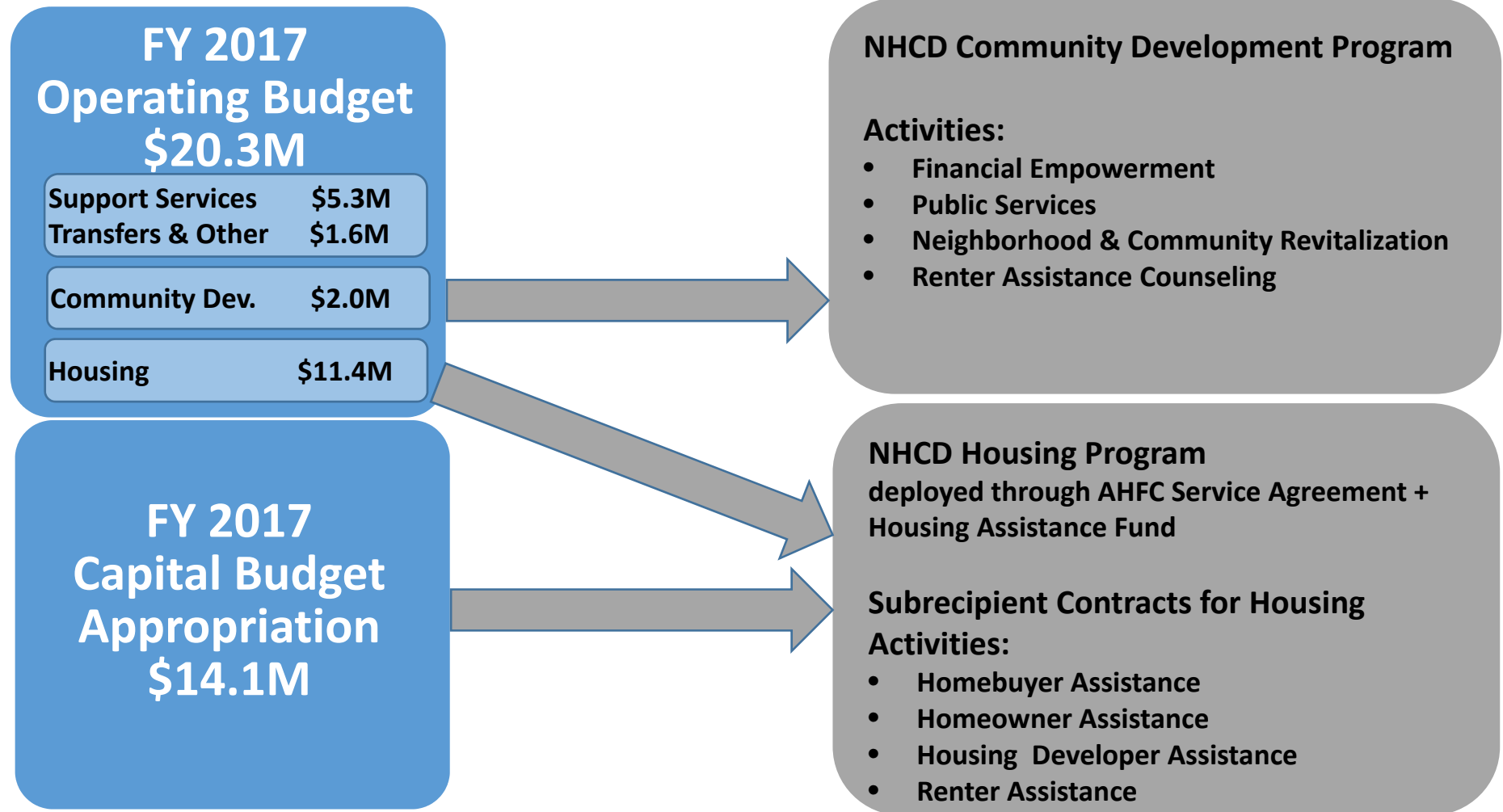
49%
of Beneficiaries
Earning 30%
MFI or Below
were Assisted
by Community
Development
Activities



How We Operate

Neighborhood Housing & Community Development (NHCD)

Activities/Programs



Department Budget Overview

FY 2017 Totals at a Glance...

FY 2017 Approved Budget

\$20.3 million

FY 2017 Positions

General Fund: 26

Grant: 33

FY 2017 Sources

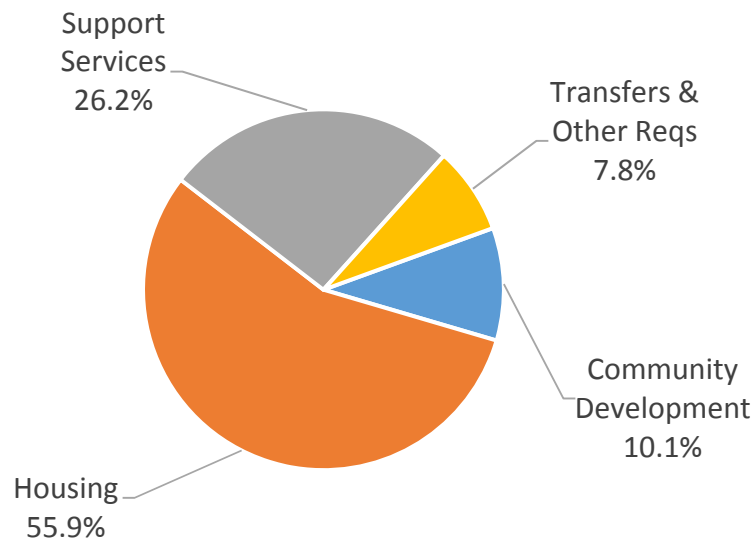
Tax Supported: 31.5%

Grants: 52.7%

Housing Trust Fund: 13.6%

Other: 2.2%

FY 2017 Budget by Program



Major Grants

- Community Development Block Grant (CDBG): \$7.1million
- HOME Investment Partnership: \$2.6 million

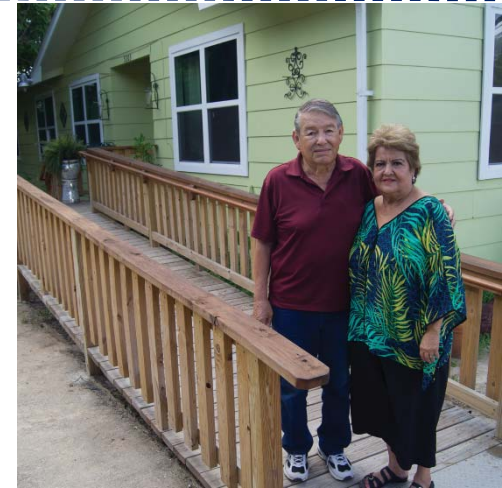
* Funded through the Housing Assistance Fund, which is not reflected on this page.

Department Budget Overview

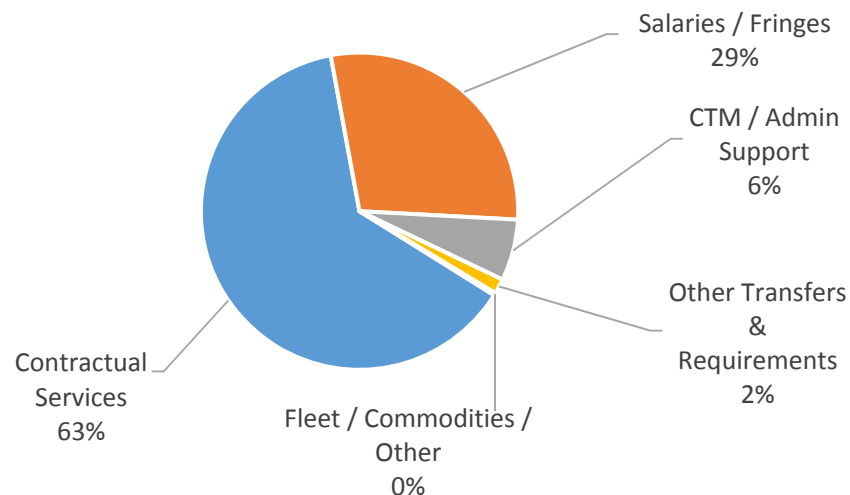
Data and Highlights

➤ Population Served:

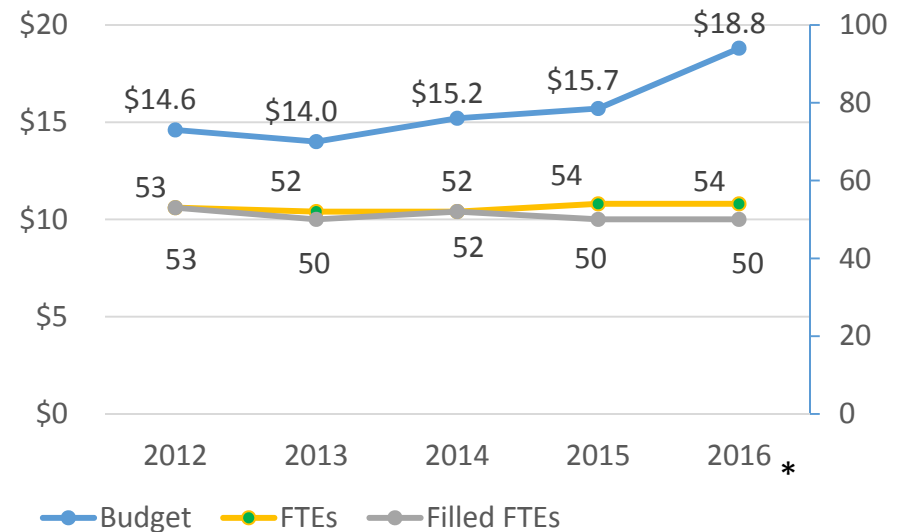
- First-time Homebuyers (0-80% MFI)
- Low and moderate-income Homeowners and Renters
- Persons Experiencing Homelessness
- Market and Non-profit Developers of Affordable Housing
- Vulnerable Populations (Children, Seniors, Youth)
- Small Businesses



Expenditure Budget by Category



Expense and FTE History: FY 2012-2016



* Beginning in FY 2015-16, NHCD became part of the General Fund and \$1.3 million in administrative cost centers were reallocated to the department from the General Fund level.

Capital Budget

Overview of Bond Funded Developments

FY 2017 Capital Budget

Appropriation \$14.1M

Spending Plan \$17.5M



Lakeline Station,
District 6



Homestead Oaks,
District 5



Jeremiah Housing, District 3

2006 Bond
Funded
Developments

2013 Bond
Funded
Developments

2013 Bond
Funded
Developments
Approved in 2017

Bluebonnet
Studios,
District 9



Factors Impacting Housing Affordability & Investments

Demographic Changes

Changing age distribution: Young Adults (67,000) and Baby Boomers (64,000)
70% of 2000-2012 growth

Reduction in percent of families (32% in 1970, 25% in 2014)

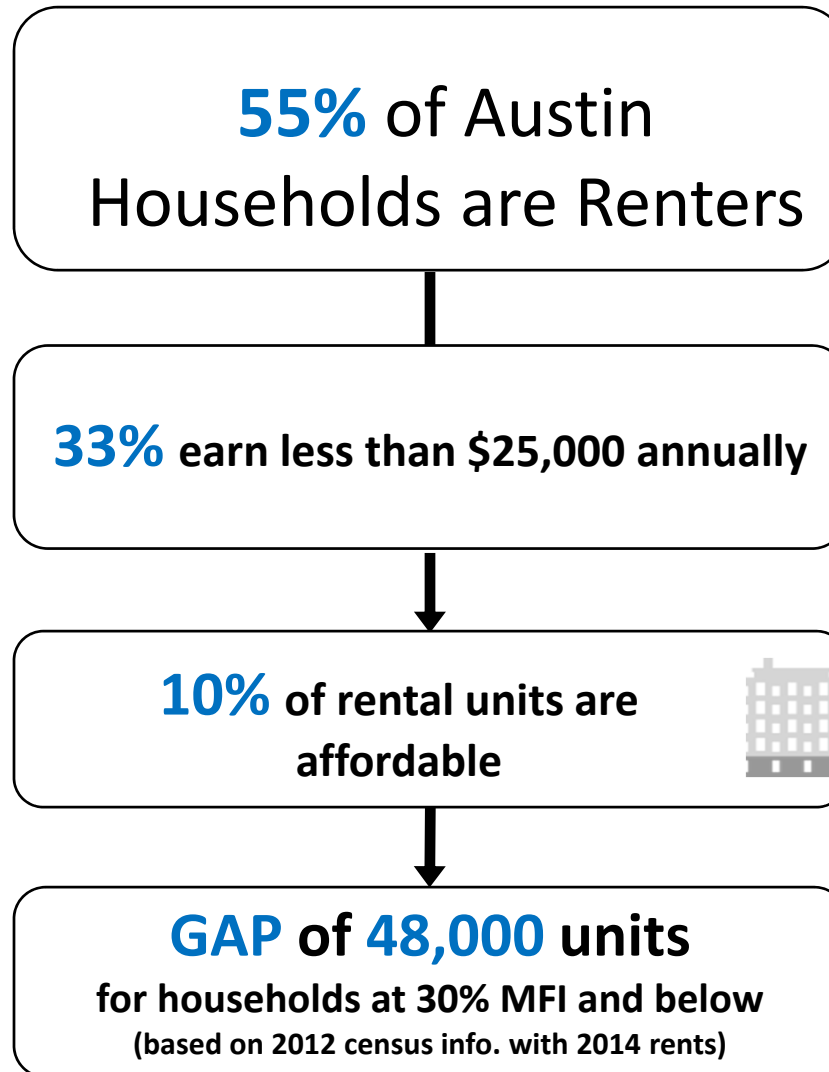
Decreasing middle class

Growth in higher-income households - Renters earning >\$75,000 up 74%
from 2007

Growth in poverty (coupled with lack of affordable housing) has increased
housing cost burden and rental gap

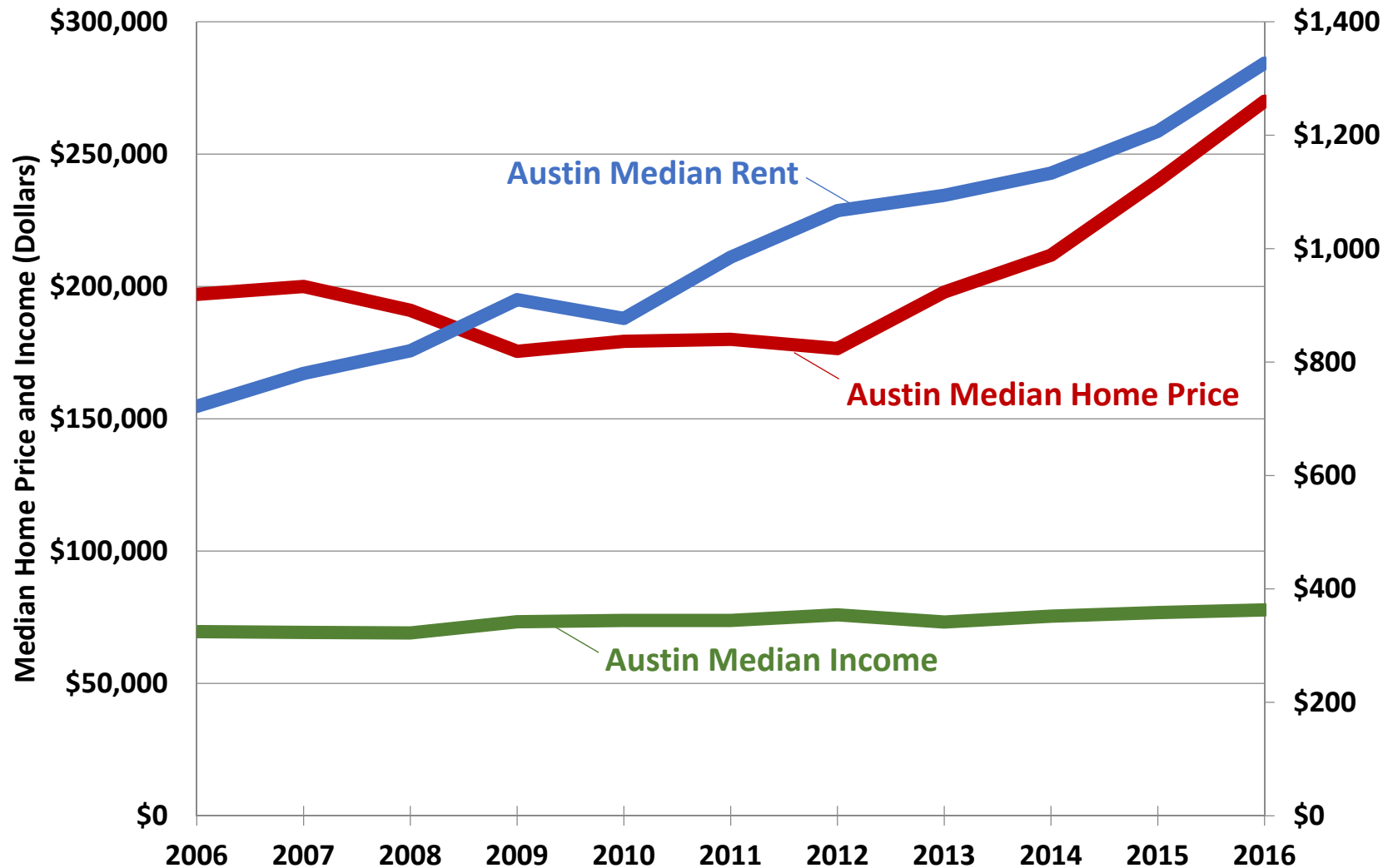
Factors Impacting Housing Affordability

Austin Rental Housing Gap



Factors Impacting Housing Affordability

Wages Flat, Home Prices and Rents Rising Fast



Source: National Association of Homebuilders (NAHB), Austin Opportunity Index, and Austin Investor Interests Data (2006-2016)

Noteworthy Prior Council Actions

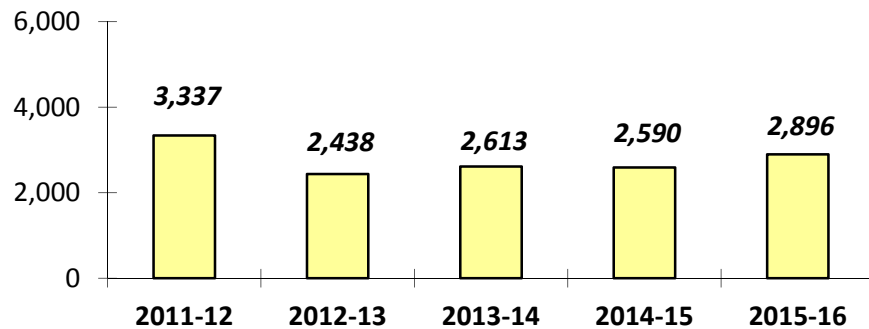
Council Resolutions

Resolution	Description
20161020-027	Research potential funding sources for repairs to manufactured homes
20161013-005	Explore partnership opportunities between the City of Austin, AISD, Travis County for affordable housing and other development projects
20161006-050	Create a Housing Lending Group to develop recommendations to promote ownership opportunities
20160616-035	10-part resolution regarding fair housing and strategies to achieve affordable housing, including direction that new property taxes generated from formerly county-owned and state-owned land should fund the City's Housing Trust Fund
20151217-074	Direction to increase the percentage of tax revenue derived from properties within the desired development zone that were formerly City-owned to be transferred to the Affordable Housing Trust Fund from 40% to 100%
20151210-030	9-part resolution regarding analysis of CodeNEXT, Affordable Housing options and fair housing choice
20151112-027	Relocation requirements for developments that will result in displacement of tenants
20141002-043	Setting a target of 400 Permanent Supportive Housing Units with 200 dedicated to Housing First model by FY 2018-19
20141016-034	Setting a goal to preserve 20,000 affordable units by FY 2034-35

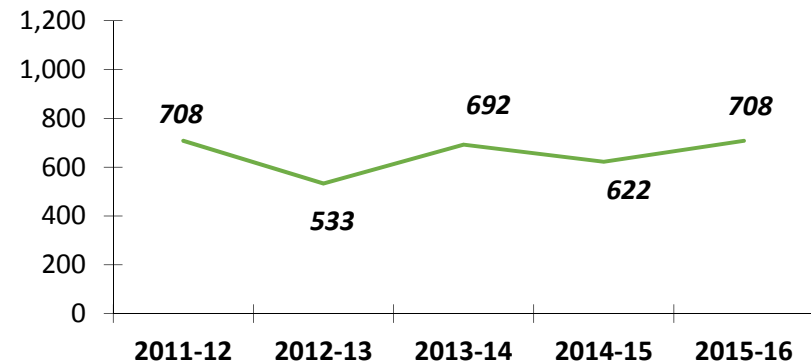
Key Indicators

Trend Overview

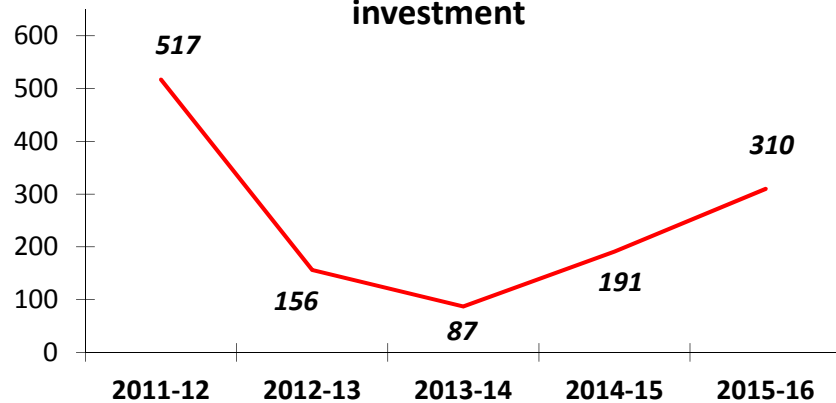
Number of services provided through all housing and community development activities



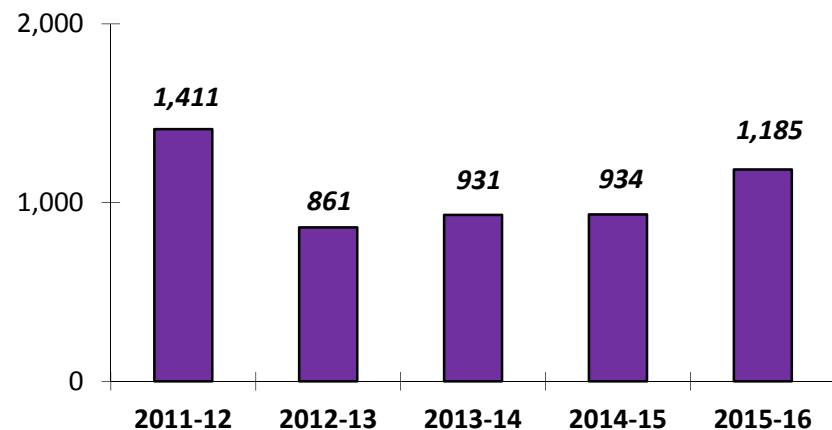
Number of repair services provided to homeowners



Number of affordable rental units newly constructed and/or preserved through capital investment



Total number of housing related services



Horizon Issues

Fiscal Year 2018

- Limited funding to implement the Austin Strategic Housing Plan
- Legislative constraints
 - Limitations on funding sources and tools for affordable housing, including limits on rent control and fees for affordable housing
- Investment in technology for enhanced services

Discussion Topics

- Evaluation and/or transition of activities that are not mission critical to NHCD
 - Small Business Development
 - Public Services (Child Care Services, Youth Services, and Senior Services)
 - Public Facilities (Parking lots, Connelly-Yerwood Home)
 - Subrecipient Contracts



Questions, Comments, Feedback