

Austin CityUP Housing Committee Affordable Housing Solutions

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Ron Baker

**IBM Distinguished Engineer
Director of Geospatial Content & Analysis
Smarter Cities Strategy**

City Engagements:

- ✓ Minneapolis analytics for vacant housing, major venue events, police, public works
- ✓ Ft. Lauderdale policing and public safety
- ✓ Miami water, parks, stadium management
- ✓ Bangkok traffic management
- ✓ Singapore road use management
- ... and many more

Catherine Crago

**Head of Strategic Initiatives for the
Housing Authority of the City of Austin**

“Unlocking the Connection” Program Leader:

- ✓ Public-Private Technology Partnerships
- ✓ Management Consulting
- ✓ White House & HUD Model Initiative in 100 cities
- ✓ Internet & Digital Literacy for Residents

Our Approach to an Affordable Housing App

In October, 2016, 70+ organizations convened to rank Smart City projects in Austin. Our proposed affordable housing solutions app was ranked as the Number 1 priority.

Since then, the Austin CityUP Housing Committee has researched several existing approaches and technologies, convened a data workshop with local stakeholders, and identified the assets that are needed to help a single mother with a new voucher quickly find suitable affordable housing (which is just one of the potential scenarios).

As an objective party, the City can more timely and more cost-effectively produce data standards, shared requirements and an open basic search tool.

The City can address the immediate need to help low-income Austin renters and housing counselors find affordable housing. As part of that process, it should enable data standards, a set of requirements shared by several stakeholders, and an standard interface for other non-profits and companies to create sustainable long-term solutions.

Austin CityUP ...Technology for Urban Progress

Austin CityUP™ is a smart city consortium of companies, organizations, and individuals who collaborate on activities that advance Austin through digital technologies, data collection, analytics, and modeling.

- ✓ Founded April, 2016; 70+ Member Companies and Organizations, 501(c)(6)
- ✓ October, 2016 Strategic Planning meeting resulted #1 rank for affordable housing solutions
- ✓ Housing Committee formed; today includes 20+ members from 7 companies, non-profits, government and individuals
- ✓ We've evaluated several technologies and funding approaches to meet some very specific goals



Our initial research areas...

The Stakeholders...and their Needs

Households seeking affordable housing

- ✓ Make it easier to find
- ✓ Better fit for their needs

Austin ISD

- ✓ Minimize student moves & lost days
- ✓ Better student performance
- ✓ Consistent funding

Landlords and Developers

- ✓ Easier to find tenants
- ✓ Maximize incentives and property returns

City of Austin Staff

- ✓ NHCD Policy and Economic Development
- ✓ HACA Section 8 & Assistance Programs
- ✓ CodeNext zoning policy analysis

Existing Approaches & Technology

Web Clients & Mobile Apps

- ✓ Costar
- ✓ GoSection8
- ✓ HubCiti
- ✓ Mobility Blueprint
- ✓ NoAppFee.com
- ✓ IBM Smarter Cities
- ✓ Haven Connect

Real Estate Services

- ✓ MLS
- ✓ Austin Board of Realtors

NGO's

- ✓ Housing Works
- ✓ Portland Bureau of Housing

Available Sources of Data

Currently Available Inventory

Overall Affordable Housing Stock

Active & Upcoming Applicants

Transportation & Transit Schedules

Demographics

Schools, School Districts

Business Locations

Health & Social Service Locations

Zoning Codes & Plans



| Four Major Urban Areas in Texas | | Public Housing | Section 8 Vouchers | Total |
|---------------------------------|----------------------------|----------------|--------------------|---------------|
| DFW | Dallas H.A. | 3,368 | 19,239 | 22,607 |
| | Fort Worth H.S. | 1,378 | 5,439 | 6,817 |
| | Dallas County H.A. | - | 4,369 | 4,369 |
| | Arlington H.A. | - | 3,653 | 3,653 |
| | Grand Prairie H.N.S. | - | 2,701 | 2,701 |
| | Tarrant County H.A. | - | 2,508 | 2,508 |
| | Garland H.A. | - | 1,529 | 1,529 |
| Austin | Mesquite H.O. | - | 1,404 | 1,404 |
| | Plano H.O. | 24 | 908 | 932 |
| | McKinney H.A. | - | 385 | 385 |
| | City of Austin H.A. | 4,770 | 42,182 | 46,917 |
| Houston | City of Austin H.A. | 1,928 | 5,726 | 7,654 |
| | Travis County H.A. | 105 | 568 | 673 |
| | Georgetown H.A. | 158 | 100 | 258 |
| | Round Rock H.A. | 100 | 94 | 194 |
| San Antonio | City of Austin H.A. | 2,291 | 6,488 | 8,779 |
| | Harris County H.A. | 3,495 | 17,235 | 20,730 |
| | Pasadena H.O. | - | 4,165 | 4,165 |
| | City of Austin H.A. | 3,495 | 22,508 | 26,003 |
| Total | Houston H.A. | 4,003 | 13,341 | 17,344 |
| | Schertz H.A. | 4,003 | 13,341 | 17,344 |
| Total | | 14,559 | 84,439 | 98,643 |

The immediate need...

Detailed Requirements (Needs & Goals)



Data Standards



Search Tool



Initial Design Process

- ✓ Spend time in the ecosystem: how to make this as simple as possible to use for everybody
- ✓ Existing approaches and technologies
- ✓ Data sources, search tool features, and distribution methods

Assets needed now to help Austin residents find affordable housing

- ✓ What are the minimum requirements for a search tool?
- ✓ How companies and cities finance housing search solutions

Determine how to make this sustainable

- ✓ Approaches to sustaining the search tool
- ✓ How to incent organizations and companies to be involved?
- ✓ What is the best way to use funds associated with this work?

The Goal...Sustainable Offering, Actionable Insights

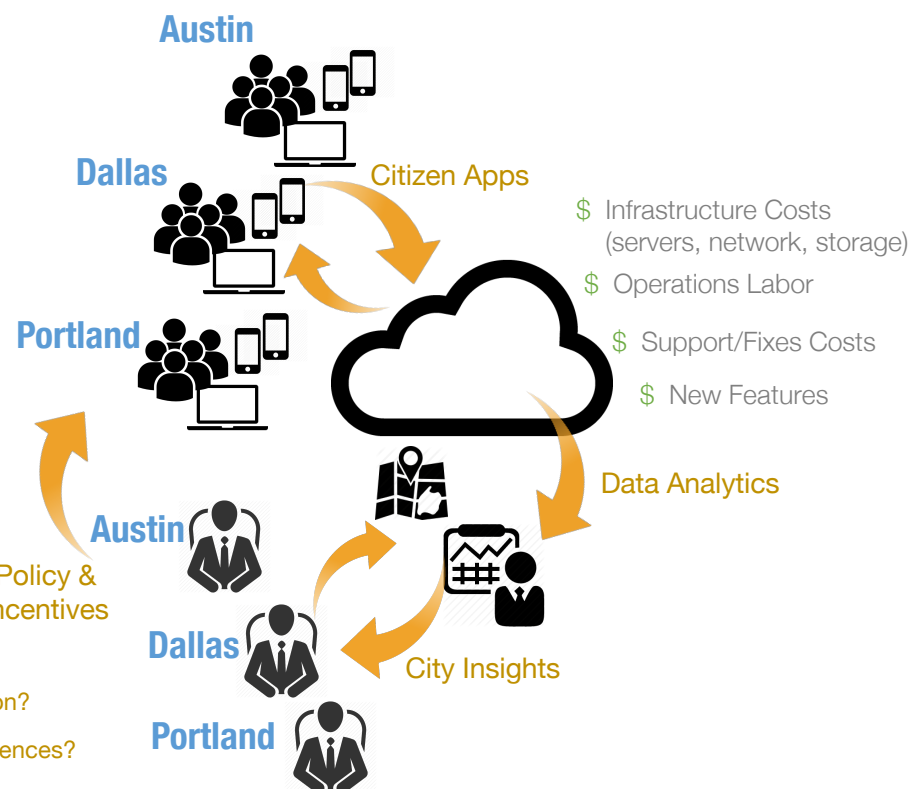
Not just a grant, not a custom solution...it should be a public-private partnership, similar to the Austin 311 mobile app, that provides a Sustainable Offering, with Actionable Insights for the city. We identified several possible revenue models:

1. **Revenue from multiple offerings and customer segments**
 - ✓ Commercial offerings can help subsidize Public Sector
 - ✓ Infrastructure/Labor cost sharing enables lower price
 - ✓ Affordable Housing, Code Compliance, Vacancy Risk, etc.
2. **Revenue from enough Cities with a repeatable offering**
 - ✓ About 750 cities in the US with over 50,000 people
3. **Revenue from an on-going transaction fee**
 - ✓ Include a 1-2 cent technology fee
4. **Revenue from advertising to target segments**
 - ✓ Must ensure Privacy and Appropriateness

Where is the best location for more city-owned affordable housing?

Can I provide different development incentive amounts by location?

How should I change zoning codes based on citizen preferences?



How do we incent someone to build the solution?

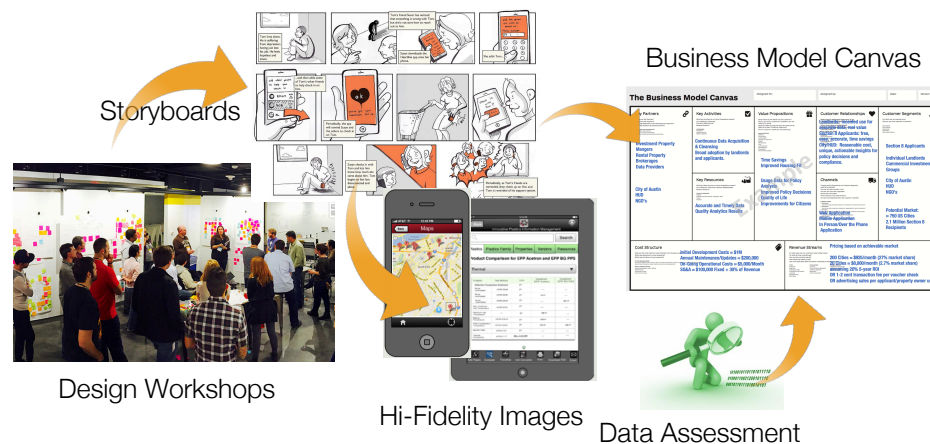
The City of Austin can facilitate this by:

1. Clearly articulating the needs and goals

- ✓ Continue to leverage Austin CityUP and its members
- ✓ Provide City Staff expertise to define the needs and goals
- ✓ Partner with a Design shop to create designs/prototypes

2. Helping establish the market value with potential partners

- ✓ Determine what operating budget you're willing to provide
- ✓ Partner with other cities to corroborate that value
- ✓ Partner with State and Federal agencies, such as HUD
- ✓ Assess the available data sources for feasibility
- ✓ Determine Business Model options



Once these are established, determine the best Public-Private Partnership Approach:

3. Determine the best procurement process

- ✓ Does it require an RFP?
- ✓ Can it be part of an agencies normal operating budget?

4. Should the City of Austin provide some sort of “start up” incentive for a solution?

- ✓ Funding for initial offering development?
- ✓ Investment with some form of return or loan with repayment criteria?
- ✓ Can the City of Austin maintain some equity or revenue stream from the solution?

Thank you!

Housing Committee

Objectives:

- Provide an immediate prioritized list of affordable housing that best meets a household’s needs
- Provide insight into the City’s inventory and use of affordable housing, showing the impact of policy and market forces

Meetings

Every other Thursday | 4:00pm CT

Chairs:

Ron Baker, IBM
Catherine Crago, HACA

Members:

Jay Boisseau, Vizias
Melanie Cox, Neighborhood Housing & Community Development
Lisa Garcia, HACA
Sherri Greenberg, LBJ School
Richard Hurley, GovernanceChain
Erica Leak, Neighborhood Housing & Community Development
Josh Rudow, Neighborhood Housing & Community Development
Jonathan Tomko, City of Austin
Wesley Wright, Idean