



COMMISSION RECOMMENDATION
African American Resource Advisory Commission
Recommendation to Austin City Council in support of the People's Plan
Recommendation Number 20180501-04A

Whereas, the African American Resource Advisory Commission is charged with advising the Austin City Council on issues relating to the quality of life for Austin's African American community and shall recommend programs designed to alleviate any inequities that may confront African Americans in social, economic, and vocational pursuits.

Whereas, the City of Austin has been and continues to be in a housing affordability crisis. While some contend that density at any cost is the best method out of this crisis, this reliance on market-rate density asks lower-income residents to take a wait-and-see approach whilst housing for upper-income residents is increased and readily supplied.

Whereas, a standard definition of affordability should be applied and used within any policy claiming to supply "affordable" housing. The term "affordable" should not be contrived to mean "less expensive" and therefore be used to speak of housing that cost \$400,000 rather than \$600,000, neither of which is affordable. The misuse of the term "affordable" is misleading at best.

Whereas, continuing to rely on supply and demand solutions to trickle down to those who serve as the foundation of this community is inequitable, allowing for economic and racial segregation to fester.

Whereas, with Austin's historic local government-forced gentrification and current market-forced gentrification, local leadership has a duty to rectify and protect Austin communities who have been left uprooted and unprotected by both a lack of proper investment and robust leadership on this issue. A greater investment and targeted effort is needed in increasing the supply of family-friendly low income housing, thereby mitigating displacement and allowing for displaced Austinites to return.

Whereas, with such a high rate of redevelopment, the City should use building entitlements as a way to protect and serve lower-income residents who have made this city what it is today. The process of determining building entitlements as a way to secure low income housing should be transparent and made known to the people it is intended to serve. Recognizing the value of land use, our economic development deals need to have stronger requirements and compliance standards to provide space for local businesses to flourish and recruitment and retention of a local workforce. These requirements should also include evidence of compliance and confirmation of intended outcomes – including quarterly status reports to city management on agreements such as percent of local hires, number of training programs, job types, turnover rate, local recruitment, and wages.

Whereas, characteristics of low income housing should include family-friendly unit sizes of at least 2 – 3 bedrooms, utilities included in rent, green space, and equitable transit oriented development.

Whereas, with the creation of the Equity Office, the City should increase funding to the Equity Office to provide more support to city staff in identifying and cultivating new solutions to old inequities. The City should also look to create partnerships between the Equity Office, the Office of Innovation, Neighborhood Housing and Community Development, and the Office of Sustainability to collaborate in this effort. Recruitment of city staff that resemble the diversity of the Austin area is critically important in formulating inclusive and equitable processes and should be a priority in this effort.

Whereas, the African American Resource Advisory Commission recommends increased direct investment in low income housing in accordance with the People's Plan detailed below.

Be it resolved,

The African American Resource Advisory Commission supports the People's Plan and recommends City Council to direct the City Manager to develop a comprehensive plan, budget and ordinance in the next 60 days to present to the Council for adoption that shall:

1. Establish a separate, dedicated Low Income Housing Trust Fund (to be fully funded at \$16 million or more starting within this year's budget) into which all City housing funds, including those specified below, are placed; and
2. Establish a Low Income Housing Fund Management Agent and support staff to administer the Low Income Housing Trust Fund (LIHTF). The Agent shall have diverse membership and shall include lower income residents, both homeowners and renters, and community representatives; and
3. Begin each annual budget process by first allocating \$16 million or more to the LIHTF to preserve, construct or subsidize housing for low income families (this being the amount the City spent in fiscal year 2015 – 2016 on fee waivers). Identify city-owned property to use for low income housing, to commence immediately. Low income housing should be defined as households making 60% or less of median family income (MFI); and
4. Establish a policy that all future general obligation bond elections include at least 20% of the bonds for low income housing; and
5. Establish a policy similar to the City of Houston's that all new Tax Increment Zones or other quasi-governmental entities created by the City be required to dedicate at least 1/3 of their revenue to the LIHTF for both preservation and construction of low income housing; and
6. Amend all density bonus programs so that developers have the mandatory option to pay a fee in lieu equal in an amount to the economic value of the required on-site affordable units.

I affirm this recommendation was approved by the African American Resource Advisory Commission.

Vote: 13 in favor 0 not in favor
Absent: 1 – Tam Hawkins
Vacant: 1- District 2



Linda Hayes
AARAC Liaison

May 10, 2018
Date