

NEIGHBORHOOD HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT PRIORITIES & STRATEGIES



City Council
Housing and Planning Committee Briefing
September 25, 2018

AGENDA

- 1. Why Set Priorities & Strategies?**
- 2. Goals**
- 3. Blueprint Implementation Strategy**
- 4. Funding Sources**
- 5. Consolidated Planning Process**
- 6. Bond Implementation**
- 7. Next Steps**

WHY SET PRIORITIES & STRATEGIES?

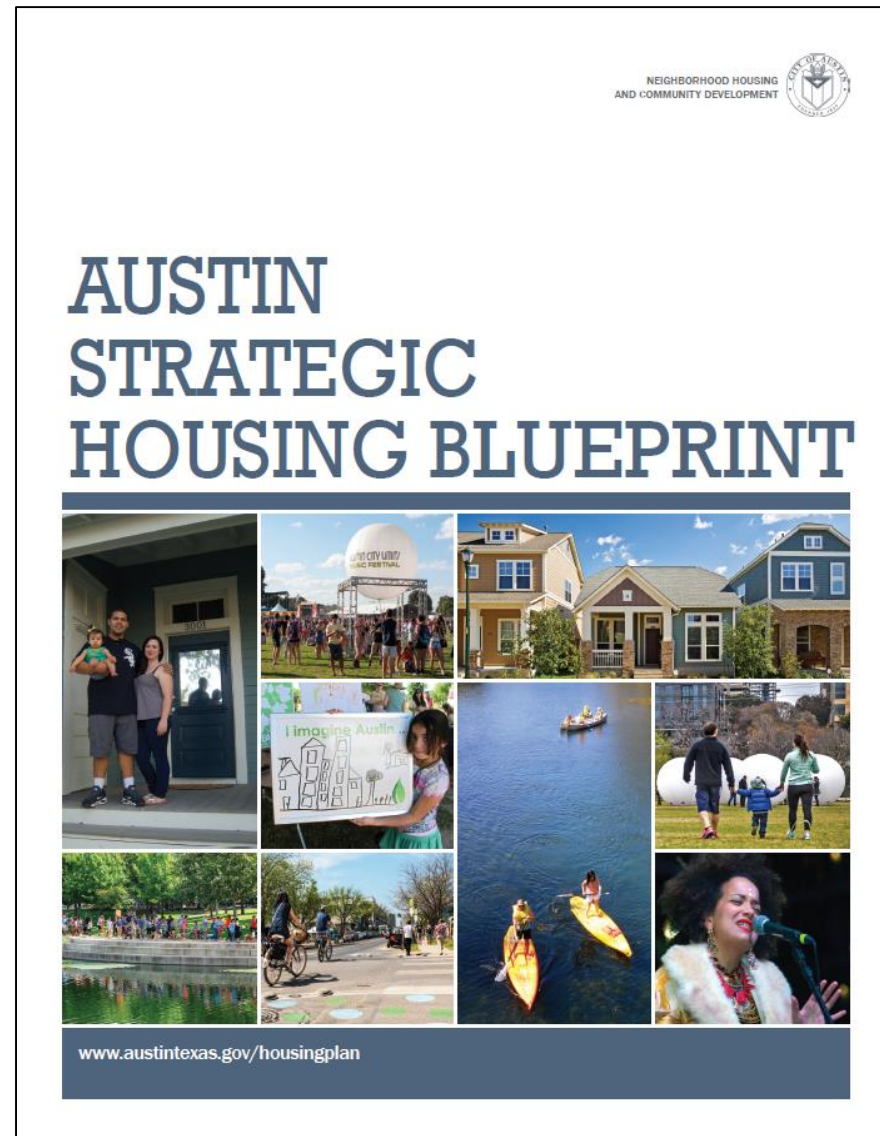
WHY SET PRIORITIES & STRATEGIES?

Planning efforts are underway to implement the Housing Blueprint, review recommendations from several other reports, develop a new Consolidated Plan, deploy the 2018 Housing Bond (if approved), and address multiple Council Resolutions.

- **Identify key themes**
- **Realign funding sources and develop a strategy for a potential new housing bond**
- **Promote synergies through a strategic work plan**

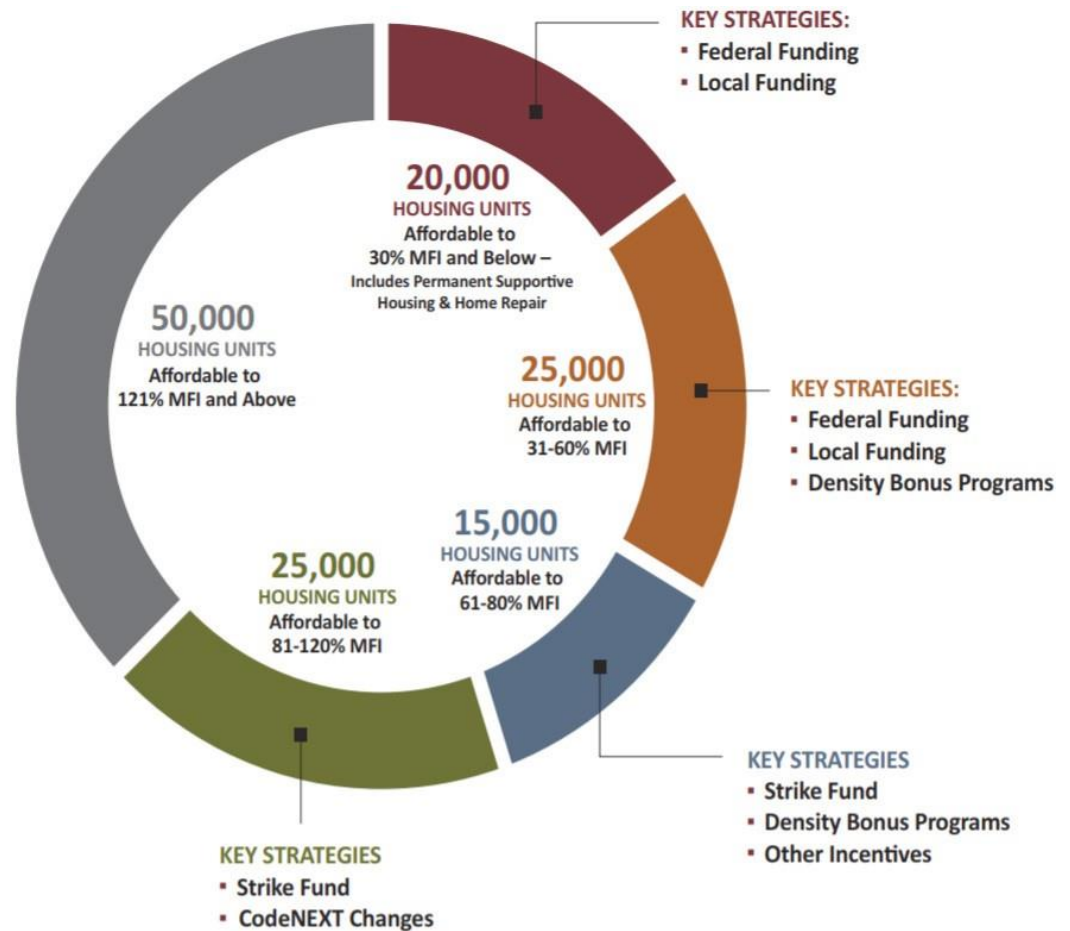
GOALS

HOUSING BLUEPRINT GOALS



HOUSING BLUEPRINT GOALS

The Blueprint calls for 60,000 affordable units below 80% MFI over the next 10 years



BLUEPRINT COMMUNITY VALUES



Prevent Households from Being Priced Out of Austin



Foster Equitable, Integrated and Diverse Communities



Invest in Housing for Those Most in Need

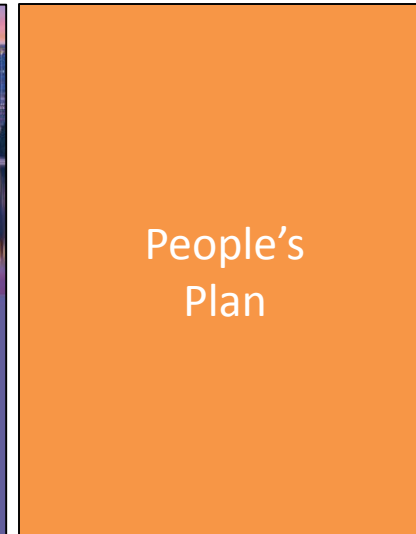
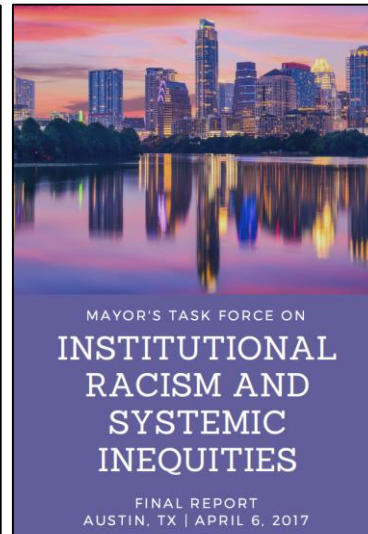
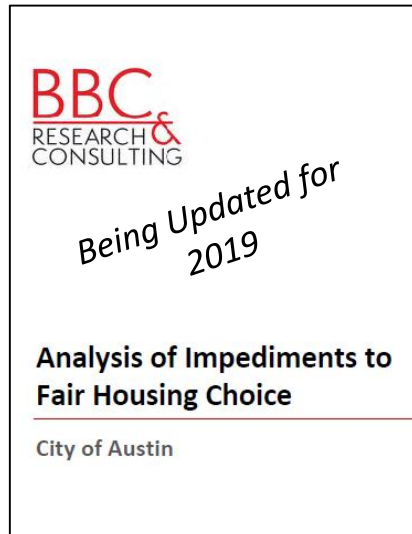
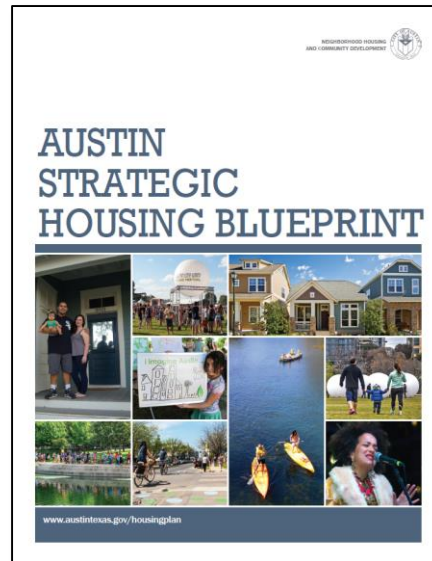


Create New and Affordable Housing Choices for All Austinites in All Parts of Austin

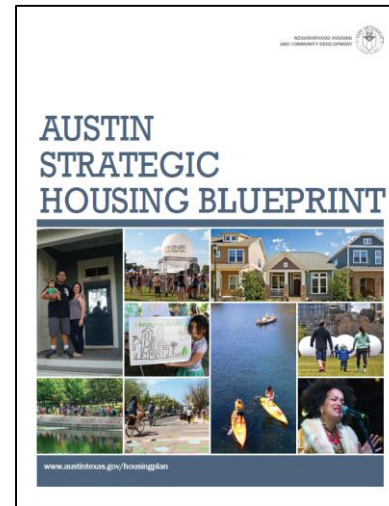


Help Austinites Reduce their Household Costs

OTHER STRATEGIES



AUSTIN STRATEGIC DIRECTION 2023



Implementation of the Blueprint is aligned with Austin Strategic Direction 2023, which supports cross-departmental collaboration to:

- Develop and act on recommendations to reduce the number of households and businesses displaced from Austin due to unaffordability.
- Implement “highest potential impact” actions identified in the Austin Strategic Housing Blueprint.
- Acknowledge Austin's history of racial segregation and counter it by applying an equity perspective to the City's land development code and associated programs and policies, aligning with community priorities as articulated in Imagine Austin, and ensuring affordable housing options throughout Austin.
- Define and enact our response to homelessness focusing on efficient and effective use of our resources to address disparities, prevent homelessness, and support housing stability.

STRATEGIES UNDER REVIEW

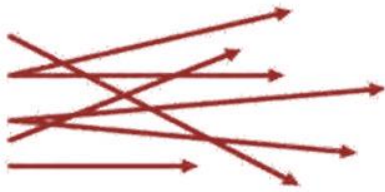
- Strategic Housing Blueprint (65 actions)
- University of Texas Gentrification Study (56 actions)
- People's Plan (19 actions)
- Anti-Displacement Taskforce (*In Development*)
- Mayor's Task Force on Institutional Racism and Systemic Inequities (40 housing-related actions)
- Fair Housing Action Plan (2015) (32 actions)
- Fair Housing Action Plan (2019) (*In Development*)

Over 200+ actions

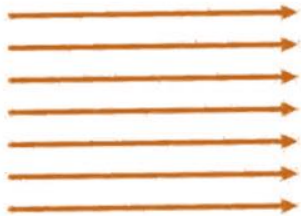
Council Resolutions & Direction

- **26** open resolutions dating back to January 2017
- **72** closed resolutions dating back to January 2014

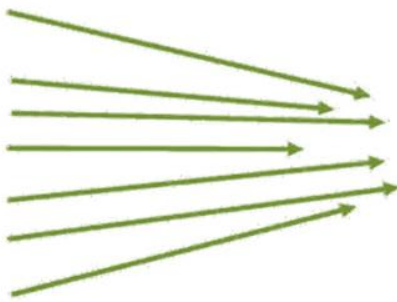
SHIFT FOCUS TO IMPLEMENTATION AND ACHIEVING COMMUNITY GOALS



Current State: Several Plans with Different Strategies to Address the Five Key Community Values Identified in the Austin Strategic Housing Blueprint



In Progress: Identifying where there are Reoccurring Themes Across the Plans and How a Few High Impact Strategies can Realize Synergies and Achieve Multiple Goals



Future State: Focus Resources and Efforts on Implementing High Priority, Short-Term Targeted Strategies.

Lay the Groundwork for Future Medium- and Long-Term Strategies.

Regular Touchpoints for Council will be Built into the Timeline for Policy Guidance at Critical Decision Points.

BLUEPRINT IMPLEMENTATION STRATEGY

IMPLEMENTING THE BLUEPRINT AND 2018 BOND PROGRAM

Goals

Data and Reporting

- Provide Transparency and Report on Progress Toward Meeting All Goals

Consultant Services

- Financial
- Legal
- Real Estate

Inter-Departmental Collaboration

Additional Staff

IMPLEMENTING THE BLUEPRINT AND 2018 BOND PROGRAM

Additional Staff

- Financial Analyst(s)
- Asset Manager(s)
- Real Estate Staff
- Compliance and Monitoring Staff
- Planner(s)
- Marketing and Communications Staff

FUNDING SOURCES

BLUEPRINT IMPLEMENTATION

FUNDING SOURCES

- Affordable Housing Bonds (*if approved by voters*)
- Community Development Block Grant (CDBG)
- Home Investment Partnership Grant (HOME)
- General Fund / Housing Trust Fund (HTF)
- Homestead Preservation District (HPD) Tax Increment Reinvestment Zone (TIRZ)
- Housing Assistance Fund (HAF)
- In Lieu Fees from Density Bonus Programs
 - University Neighborhood Overlay (UNO)
 - Downtown Density Bonus
 - Transit Oriented Development/Regulating Plans (TOD)
 - Other Regulating Plans
- Development Agreements
 - Planned Unit Developments (PUDs)
 - Municipal Utility Districts (MUDs)
 - Public Improvement Districts (PIDs)

BLUEPRINT IMPLEMENTATION FUNDING SOURCES



\$42-50 Million
Annually

**City of Austin General
Obligation Bonds, if
Approved by Voters**



\$10-12 Million
Annually

**Federal Funds from
the U.S. Department of
Housing and Urban
Development**



\$5-7 Million
Annually

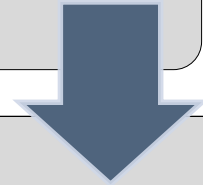
**City of Austin
Housing Trust Fund,
Density Bonuses &
Other Sources**

CONSOLIDATED PLANNING PROCESS

U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT (HUD) CONSOLIDATED PLANNING PROCESS – FEDERAL FUNDING

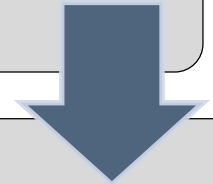
Consolidated Plan

5 Year framework to allocate federal resources to housing and community development priorities



Action Plan

A summary of actions, activities, and federal and non-federal resources used to address priority needs and goals identified in the Consolidated Plan



Consolidated Annual Performance and Evaluation Report (CAPER)

End-of-year report on accomplishments and progress toward Consolidated Plan goals

The City of Austin's FY 2019-23 Consolidated Plan is due to the U.S. Department of Housing and Urban Development (HUD) no later than August 15, 2019.

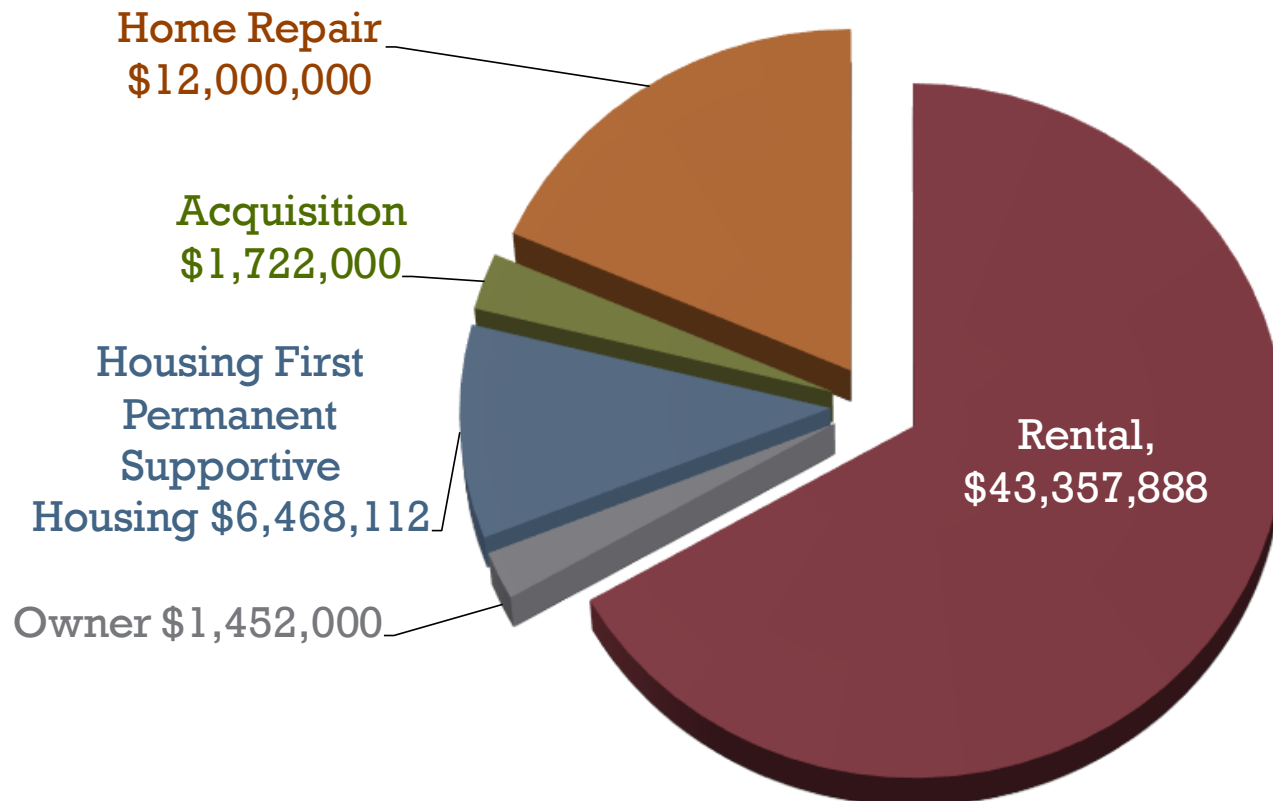
BOND IMPLEMENTATION STRATEGY

2013 AFFORDABLE HOUSING BOND HIGHLIGHTS

- 19 Rental and Ownership Developments
- 2,253 affordable housing units with 1,419 of those are deeply affordable - average investment: \$24,687/unit
- More than 600 home repairs
- Leverage Ratio 7:1
- 100% of 2013 General Obligation Bonds Invested or Committed

2013 AFFORDABLE HOUSING BONDS FUNDS EXPENDED OR COMMITTED

Rental	\$43,357,888	67%
Owner	\$1,452,000	2%
Housing First Permanent Supportive Housing	\$6,468,112	10%
Acquisition	\$1,722,000	3%
Home Repair	\$12,000,000	18%
2013 Affordable Housing Bond Total	\$65,000,000	100%



2013 AFFORDABLE HOUSING BOND PROGRAM



**Bluebonnet
Studios
South Lamar Blvd.**



**Jeremiah Housing
Moody Campus**



**Lakeline Station
Apartments
Rutledge Spur**

2018 CITY COUNCIL AFFORDABLE HOUSING BOND RECOMMENDATION: \$250 MILLION

Program	Description	Amount
Rental Housing Development Assistance Projects	Increases or maintains the supply of affordable rental housing by addressing the rental housing needs and priorities.	\$94,000,000
Acquisition & Development (A&D) Homeownership Program	Addresses the need for affordably priced ownership housing within the city.	\$28,000,000
Home Repair Program	Minor home repairs and rehabilitation to income-qualified homeowners' homes throughout the community.	\$28,000,000
Land Acquisition	Acquire and hold land, including acquisition of publicly owned land, for future use, with the potential to achieve multiple community goals, including affordable housing development.	\$100,000,000
Total		\$250,000,000

G.O. BONDS WILL ENHANCE EXISTING PROGRAMS

NHCD currently administers three of four programs :

RHDA (Rental Housing Development Assistance) Both the program guidelines and the scoring criteria are in the process of being updated to align with the Strategic Housing Blueprint.

A&D (Acquisition and Development) Both the program guidelines and the scoring criteria are in the process of being updated to align with the Strategic Housing Blueprint.

G.O. Repair! City Council approved FY2018-2019 contracts with seven nonprofit agencies that administer the G.O. Repair! Program. Future G.O. Bond funding will enhance the existing program.

NEW PROGRAM: LAND ACQUISITION

Staff is in the process of developing criteria that will align with Strategic Housing Blueprint and various City Council Resolutions – including:

- Process for purchase, development, and management of property
- Goals for the number of new affordable units, preserved affordable units, affordability levels, and length of affordability
- Strategy to maximize the effectiveness of the funds to meet the program goals
- Potential timeline for implementation
- Estimated staff and resource requirements for program development and implementation.
- Responsive to City Council Resolutions:
 - Resolution No. 20180809-061: Contract with the Voters
 - Resolution No. 20180823-076: Preservation of Multifamily Properties & Mobile Home Communities that are Home to Low-Income Households

NEXT STEPS

NEXT STEPS: BLUEPRINT IMPLEMENTATION PLAN

The Implementation Plan is Being Drafted
Returning to Housing & Planning Committee in January with:

- Matrix of Additional Recommendations informed by other Plans/Studies
 - Anti-Displacement Strategy
 - Preservation Strategy and Criteria
- Overall Strategy with Short-Term, Medium-Term and Long-Term Actions to meet Community Goals
- Funding Matrix with Recommendations to Better Align Resources
- Bond Implementation Strategy
 - Land Acquisition Strategy and Criteria
- Tie in with Consolidated Planning (5-year Plan/Grant Application for Federally Funded Activities)
- Responses to Relevant Council Resolutions
- Density Bonus Recalibration Recommendations
- Staffing Strategy
- Timeline for the Items Above Including Regular Policy Guidance Touchpoints for Council to Engage

QUESTIONS AND COMMENTS
