

Housing and Planning Committee (HPC) Meeting Transcript – 02/22/2022

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[3:09:31 PM]

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>> Call the meeting to order. I will now call the meeting of the housing and planning committee to order here. At Austin city hall. 301 west second street 0 on February 28, 2022. And the time is .. 3:09.

>> Before I call the public speakers, I want to introduce our newest member to the dais, councilmember villa and I would like to have him say a few words.

>> Thank you very much, chair. It is a pleasure to be here. Not just on council but on this subcommittee in particular, housing is a major issue obviously in Austin as it is in so many cities around the country and I am looking forward to getting to work and producing

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some more housing in the city and more affordable housing too, and looking forward to working with everyone on the committee and with everyone on the council to accomplish that goal.

>> Chair: Thank you. And we really look forward to working together real hard to build as many housing, especially affording housing here in the city of Austin. I am chair is Sabino Renteria and I would like to know if there is any public speakers. Signed up.

>> We just have one speaker signed up but --

>> Renteria: Thank you. I want to call item number 1, approve the minutes. >>

>> I will make the motion, chair.

>> Renteria: Councilmember Ellis, I am kind a little

[3:11:36 PM]

nervous rights now.

>> Ellis: That's okay. You are doing well.

>> Renteria: Do we have a second? Councilmember kitchen seconded. All those in gave say aye.

>> Aye, aye.

>> Or raise your right hand. All right.

-- On the dais. Today we are going to be hearing a lot of briefings on where we are at on our affordable housing and I would like to start with the item number 2, briefing on the 2018 affordable housing bond review.

>> Thank you, committee. This is Rosie tulip director of the planning and housing department, we have James may here who is going to deliver an update on where we are at with our 2018 affordable housing bond

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program. Jayme.

>> Thank you.

>> I believe we have a presentation ready.

>> There we go.

>> All right.

>> We are at the end. All right. No. All right. Thank you. Committee, thank you, Mr. Chair. I am Jayme may, the acting housing and community development officer for the housing and planning committee. Today I will be going over the 2018 affordable housing bond. This is a review of how we spent some funds so far and how we intend to spend the rest of it. Go to the next slide. So just to go over our agenda for this presentation, I will give you a brief explanation of

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what the 2018 affordable housing bonds were, how those funds were allocated to the different program areas and then we will go over each program area individually, planned acquisition plan, the home repair programs and then our housing development assistance programs. And with that section we are going to do a ten year review, just to see how the affordable housing bonds have impacted our development assistance programs over the last ten years. Next slide, please.

>> So first we will review the 2018 general obligation bonds. Next slide. Just to remind you all, the 0 proposition a on the 2018 ballot was for affordable housing. This was a \$250 million proposition for -- to provide funding for creation, rehabilitation and retention of

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affordable rental and owner ship housing. Next slide.

>> And this \$250 million was divided into four broad program areas. The first program area use \$100 million dedicated to land acquisition, specifically for the Austin housing finance corporation to acquire and hold land and then dispose of that property through a request for proposal process wherein we will develop the land with a development partner. The second broad program area and I am going to go to the second column now, just to see top of the tried is the home repair program and that allocated 28 yird to that program area. This was an intent to keep homeowners their homes, to provide minor home repairs and rehabilitation. It is probably one of our strongest anti-displacement and preservation programs in the department. >> And then lastly I will point out that the two rental housing development assistance programs

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and the acquisition and development of homeowner ship program are essentially sister programs. They function along the same process and they provide a similar benefit to the development community for the rental housing development assistance projects we have allocated \$94 million, and this is a gap financing for rental housing developments. Our funds are targeted to households earning less than 50 percent of the median family income, so we will provide gap financing for developers that provide that level of affordability. We also try to target even deeper affordability through increased subsidies and negotiations with our development partners. The acquisition and development homeowner ship program is actually changed its name to the ownership housing development assistance program. To match its sister program. That is \$28 million dedicated to that program and again it provides gap financing for ownership developers, who are providing owner ship

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opportunities to households earning less than 80 percent of the median family income. So for both of these rams we target affordability and deep affordability to maintain presence in the city of Austin. .. Next slide, please. This is a review of our annual allocation of those funds. As you can see, the land acquisition program was front loaded with the allocation of the funds. We have have been allocated all 100 million of those funds now. We have not spent all 100 million but we are on track. The rhda, ohda or housing development assistance and -- as well as the home repair program were more consistent across the years, allocated annually. Next slide. So to go over the land acquisition program, we will

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look at how those funds were spend, next slide. As you can see on these maps, these are areas where the Austin housing finance corporation has acquired property. In pink or magenta dots are vacant parcels, that will be disposed of through the rfp process, seeking developers to develop those properties into affordable housing. Green dots are a part of our community land trust and that is single-family development, single-family households that are a part of our community land trust and I will go over that in just a moment. The blue dots represent our hotel acquisitions. We have acquired 3 hotels which will be converted to permanent supportive

housing over the course of the next year. We intend to -- we hope to have those occupied and ready for occupancy by the end of this calendar year and that will bring more than 200 new permanent supportive housing

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units into our portfolio. For the vacant land, I would point out that of all of the parcels that we have acquired, it totals to about 52 and a half acres, that is 52 and a half acres of developable land for Austin housing finance corporation that is spread across seven different council districts and we are trying our best to hit all 10. We have acquired property in seven council districts so far. And our next rfp or our next request for proposals will be for our Maynard road property. We have already conducted significant community engagement on the parcel and we do hope to send that, issue that rfp within the next several weeks. Next slide.

>> And this is our community land trust, the community lapped trust is a program wherein the value of the home and ownership of the home is separated from the ownership and value of the land on which it sits. This is an intent -- this is a

[3:19:41 PM]

program that provides long-term affordability for homeowner ship as we have all seen the prices of homes in Austin escalate rapidly over the last two years and the value of that really has been tied to the land by decoupling the land from the structure, we can prevent that spike in property taxings for the homeowner and the spike in valuation for the home. We currently have 15 occupied units in our clt program, our community land trust program, we have 29 homes in the pipeline and that pipeline is, either the homes are being rehabilitated or they are ready and waiting for us to sell. We are looking to sell the first units some time this spring through a lottery system, as part of that lottery system, we are also going to implement the preference policy which -- pressures individuals who are

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either experiencing displacement, having experienced displacement or have a generational tie to the city. As you can see, our clt portfolio is in council districts 1, 2, 5 and 6 and we do hope to grow this portfolio over time. At the bottom of this slide you will see the www.aclt-homes.org website and that's where you can learn more about how the community land trust functions and the benefit of a community land trust for a homeowner. Next slide, please. Next I would like to talk about the home repair programs. Next slide. Over the first three years of our bond allocation through the 2018 affordable housing bond, we have been able to repair and preserve more than 600 units. That's 600 single-family

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detached households that are preserved for the homeowner so they can stay in the city of Austin, stay where they list in their neighborhood. And I would also point out as part of our

general obligation bond in response to winter storm Yuri we were able to repair damages from that storm for 124 units. These are -- these were emergency home repairs as a result of that storm, so in total, it is more than 725 units have been preserved just through this program. Next slide. And finally we will go over our housing development assistance programs. Next slide. In 2017, the strategic housing the blueprint identified the need for affordable housing throughout the city, just as a reminder we have 20,000 units

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below 30 percent median family income. We immediate 25,000 units below 60 percent, median family income, 15,000 units below 80 percent median family income, and 120 -- I am sorry, 25,000 units below 120 participant median family income. These are extremely high goals, but one of the key ways to hit these goals is through our subsidy program, our gap financing programs known as rental housing development assistance and ownership development assistance. Next slide.

>> Over the last ten years, this shows the allocation of our funds per year. As you can see, the last five years we have doubled the awards over the previous five years. This is almost entirely due to the 2018 general obligation bonds. I will also point out that there are several fiscal years that show an allocation of 2018 general obligation bonds.

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This is due to the fact that a development may see increased costs and return to ahfc for an additional subsidy. In those situations we will negotiate with the develop tore either provide deeper affordability or provide more units at an affordable rate. I would also like to point out the large blue section in the fiscal year 2021, that's a 2006 general obligation bond allocation. And in that fiscal year we were able to recoup some of those funds due to a refinancing of a property that had been awarded previously. That is a way for us to repurpose our bond funds so that we can build more housing units with repurposed dollars. Next slide, please. With the allocation of those funds, you can see our unit

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production in that ten year span. Over the ten years the vast majority of our units have been below the 50 percent median family income, and that is, again, due to the programmatic nature of rhda.

>> You will also see that there are quite a few units, rental units at 60 percent, 80 percent at market rate. Those in are highlighted while we only subsidize those units below 50 percent a development will often include units at those higher affordable prices, while we only count the 50 percent units, those other units are created and do provide the affordability. So we just wanted to make sure those were noted. I would also point out that the ownership housing -- the Orange section, is targeted primarily at 80 percent. We have some 60 percent units in the ownership column. However, the deeper that you try to target an affordable unit the more difficult it is to find an

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individual that is mortgage ready and can afford to pay for the cost of that unit. So a deep, deep affordable unit, deep, deep affordable ownership unit may be very difficult to occupy. Next slide.

>> And this is our projection for the next several years. The blue section shows what we have on the ground, what has been constructed and is occupied. The Orange section shows what has been funded, has been approved and is either construction or in some -- some form of development. As you can see on the rhda side, we have approximately 1,500 units that were funded after fiscal year 2011 and have come online. So our portfolio just in that last ten years is now 1,500. You will also see that over the next three years, two to three

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years, we expect to see a doubling of our inventory. This is due to all of the units that are in the pipe mine that are coming online this year and next year. For the ownership side, you will notice that this extends out a little bit further. This is primarily due to the fact that it takes longer to build single-family detached units than it does to build a multifamily structure, due to the economies of scale. And efficiencies of a multifamily development versus a single family development. However, by the end of fiscal year 26/27 we expect a tripling of our ownership product as measured from fiscal year 2011 on. Next slide, please. The final section that I would like to point out is our continuum of care pipeline and these are units that serve individuals who are experiencing or have -- or are at risk of experiencing homelessness. We currently have about 75 units

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that are dedicated to the continuum of care and continuum of care is noted as those households that are sourced from the coordinated assessment as managed by echo. This does not include all permanent supportive housing units but does include all units that are sourced through coordinated assessment. Over the course of the next several years we do expect an almost tripling of our continuum of care units as well. This only includes units that are subsidized through rlda program and does not necessarily include the units that are created as part of our hotel conversion strategy. Rhda.

>> Next slide. And one of those large developments that we are looking forward to completion hopefully this year is sparrow -- this is a partnership with Kerr as the of Austin and the casino group, is 171 units of permanent

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supportive housing and 100 percent affordable, 1001 of those units are dedicated to the continuum of care the other 70 units are through Kerr as the of Austin waiting list .. We are very

excited about this property coming forward as it will be a keynote, a keystone for our portfolio. Next slide.

>> Caritas.

>> .. And the newest addition to our portfolio is V Colina, on oltorf and pleasant valley, partnership with osda and currently leasing. It is 170 units, 71 of which are affordable below 50 percent of the median appeal income. The others are affordable below 80 percent of the median family income. And it has one, two, three bedroom units, as I mentioned this is leasing now and we are very excited to see this on the ground and full of people.

[3:29:50 PM]

Next slide. VI collina .. And with that I want to thank you for your time. I would be happy to answer any questions. Councilmembers, do you have any questions? Councilmember Ellis. And then councilmember kitchen.

>> Ellis: Thank you, chair. I have two quick questions, and first of all, it is hugely exciting to see this progress being made. I know every unit we can bring online is really important to make sure that we have a food stock of affordable housing in Austin. My first question is, about the community land trust, does this only work for one family or individual wanting to allow their home to be a part of this or does this work for small missing, middle or, you know, little courtyard apartments if an owner were want to participate in that somehow does that work and is that an option?

>> So we do have ground lease options for our multifamily

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properties. It is something that we deploy through our partnerships, primary. We don't have many missing middle ground lease examples that I can point to right now. But I think that would be a programmatic decision, I would look to Mandy or Rosie to tell me I am wrong.

>> Councilmember, Mandy Demayo Demayo, Austin house and finance corporation. Was the question whether an owner could actually like opt into the community land trust? I am trying to kind of pull apart the question to make sure that we are answering it appropriately.

>> Right now our community land trust is only single-family homes and it is housing that we as Austin housing finance corporation have acquired and rehabbed and then sold to an income qualified home buyer. We don't have yet a program

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where folks could opt into that community land trusts if they are actual homeowners already. But I wasn't sure if I understood the question Demayo .. That's very helpful is there any expectation you might expand that people where people could opt into it? I was thinking there may be some housing stock that is for instance, you know, a four-plex built in the seventies that they may want to provide that stock into the market. Is that something you would be willing to bring into the community land trust?

>> So right now, we are working on really the foundation of our community land trust ram. We are, as Jayme mentioned, we are just about doubling, actually more than doubling our portfolio. So our goal right now is to stand up our community land trust program, inform the entire community through our outreach and communications plan around the act lottery and really test

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drive the preference policy, see how it goes, iterate on the preference policy. This is our pilot program, as we assured city council, we would be undertaking. It has been a couple of years now when which first responded to city council's resolution regarding the preference policy and then hopefully improve on the preference policy as we move forward. So right now, our focus really is on standing up the local clt program and then we are going to look at what has been successful, what the demands are in the community and then we may come back to the housing and planning committee a with some additional expansion ideas.

>> That's very helpful and I look forward to that conversation as you get this program off the ground and continue to see how it works and what type of demand there is.

>> Ellis: My other question is, on slide 15, where it talks about the different levels of median family income, I just wanted to make sure I understood

[3:33:57 PM]

the slide and the percentages that are identified on it.

>> They are mutually ex-through receive so the 50 percent is obviously units from 50 percent down to 41, right? And then 40 percent is everything from 40 to 31. So none of them are over language or adding in numbers from any other group?

>> Correct, correct. In total from the 50 percent and below category. We have around 30 or more than 3,000 units.

>> That's great. And obviously I am supportive of even if something is set at 50 percent, trying to make sure that individuals who are under that threshold still have an opportunity to participate, but just knowing that it may be difficult for folks that are ready to participate in that program to have all of the information they need to be ready to move into one of those units.

[3:34:57 PM]

So I just wanted to make sure I was understanding the way that slide was spelled out, but thank you.

>> Councilmember kitchen.

>> Kitchen: Thank you. I have two questions the first one, I think I understood, but I just wanted to verify that with regard I think to 100 million that was allocated for acquisition, is that -- I think you mentioned that it was all allocated but not all spent yet. Does that mean we have identified the properties and just in the process of purchasing or help me understand what that means.

>> Jayme, I am happy to take that, because I have been thinking a lot about this. Right now we have about 80 millions has already been encumbered out of the 100 million, that have been assigned or signed loans, the

[3:35:59 PM]

purchase agreement. Of that 20 million we have identified additional parcels and we anticipate to close on those parcels, and we will bring it to an hfc board this fiscal year. So we anticipate being 100 percent fully encumbered by the end of this fiscal year for our land acquisition dollars.

>> Okay. Thank you.

>> Kitchen: Me second question has to do with -- or goes to the coc units. So just a quick look. It seems to me that there is a big jump in coc units. Is that -- is that all due to the Esper row opening or is there .. Others? There that is going to contribute to that?

>> It is not entirely espero but it is -- if you see the jump between fiscal year 20/21 to

[3:36:59 PM]

fiscal year '21/'22, I believe that is where espero is noted.

>> Kitchen: Okay.

>> I can find out exactly what the next large parcel is, but this does not, as I mentioned this does not include our hotel conversion strategy kitchen kitchen uh-huh.

>> So that chunk is going to be even bigger.

>> Kitchen: Okay. And I guess my bigger question which may just be information that you all can provide, is I am trying to remember how we are growing the coc units. In other words, what is the policy that grows them? I mean we obviously have the acquisition approach, the hotel-motel acquisition approach. But beyond that, do we -- what do we foresee even beyond that slide, I guess?

>> So there are two policies that are at play. First for the rental housing

[3:38:01 PM]

development assistance program. We do incentivize the creation of coc units through increased subsidies, we know a coc unit is going to have a longer operational trail, so there is going to be more money needed in order to keep those units stable for the long-term. So whereas for a traditional affordable housing unit in an rhd program, we would target around \$50,000 per subsidy. For a coc unit, we are allowing that to go up to \$100,000 per unit. We have a development coming before you next week that is 45 permanent supportive housing units sourced through continuum of care, that are -- our subsidy is around \$100,000 per unit. The second strategy is unsubsidized and that is managed by echo, echo performs

[3:39:03 PM]

some landowner outreach so they can find properties in the Austin area that will accept individuals who have vouchers that come off of the coordinated assessment.

>> And, Jayme, if I could jump in. I would also note that through our land acquisition strategy, we are leveraging our ahfc assets to produce coc units. And I will use as an example, the gardener tract, which ahfc board approved. This was a solicitation and right next to -- on the Austin public health campus, where the animal shelter is. We have about a nine-acre tract of land. We did a solicitation where we incentivized both family sized units and deeply affordable coc units was successful for -- the group in caritas and we are in the process of working through

[3:40:04 PM]

the details of the financing plan, but that is going to put in a significant number of coc units and get it into a larger development and Jayme also mentioned the manor road solicitation that should come out in the coming weeks, and that will also include both coc units and workforce development

-- workforce units. We are really excited about that solicitation as well.

>> Kitchen: Thank you. Thank you, chair.

>> Renteria: Councilmembers, are there any other questions? Councilmember Madison.

>> Harper-madison: Thank you, chair. I have one question. I was looking at comparatively the number of acquisition units in district 1, it seems that there is a huge disparity I am curious if you can give me the reason behind that.

>> The -- acquisition of -- oh.

[3:41:08 PM]

>> It was .4 the if for D 1 but like 15 and some change elsewhere. I am just trying figure out what is the -- what is the rationale for difference? >>

>> I am sorry, Jayme. I do just want to note, the .45 I believe should be the manor road one parcel we did an assemblage so honor road is two parcels we assembled together which is in d-1. But I will note prior to the 2018 affordable housing bonds. We had purchased several parcels of land, one of which of course the Tanna hill solicitation which we just completed was in district one, so we really wanted to look across all ten city council districts and see and see where we could find land that met certain criteria and that criteria would include gentrifying areas, gentrifying areas .. What we called high opportunity areas or areas that had been excluded from affordable housing development,

[3:42:09 PM]

so we were really pleased when we were able to acquire two parcels for an assemblage in D 8, as we had very little affordable housing inventory in D 8, and we of course are also aligning our acquisitions with project connect. And I will assure you we are not done yet. Our land acquisition strategy continues. We are very eager to get developable land in areas again gentrifying areas, areas of high opportunity, connected to transit and certainly d-1. It is a priority for us and our team.

>> Thank you. I appreciate that. Kitchen kitchen chair, could ski a follow-up question?
>> Renteria: Yes.
>> Kitchen: Them is -- there is really important. I appreciate councilmember harper-madison for imrig it up. I want to make sure I understand it.

[3:43:11 PM]

So, so councilmember, you were mentioning you -- .45; is that right? I didn't notice that on the slide, so if you could show me that would help me, help me get this in my head.

>> If -- over kitchen can --
>> Kitchen: I saw map with the dots.
>> Slide number 8.
>> Kitchen: Can you pull it up again or no? If you can't, that's okay but --
>> We would ask for av assistance on that.
>> Stand by, please.
>> And if we can go back to slide eight, please. >>
>> Kitchen: Okay. Okay. So this one -- oh, I see.

[3:44:11 PM]

Okay. So I was just -- so we are looking at the -- these are the acquisitions associated with the 2018 bond program.

>> Kitchen: Okay.
>> And so this is just 2018 bond. I will note that --
>> Kitchen: Okay.
>> It is a prior acquisitions we have done, solicitations on. Which include Tillery, tan then hill and guard then were purchased using different sources of funds ..
>> Kitchen: Okay. So -- but this does give a breakdown of all ten city council districts and as Jayme mentioned we have achieved thus far acquisitions in seven of the ten city council districts.
>> Kitchen: Okay so the goal here is to go more broad in terms of the number of council districts that are covered. I was not understanding the .45 because it actually looks like .45 is actually less acreage in

[3:45:11 PM]

council district 1 than in the other districts but the point is, I think, that we are not hitting all of the districts, flight is that what you were speaking to?

>> The goal is not absolute parity, I should be clear.
>> Kitchen: No, but we are trying -- it is not parity but we are trying to reach the whole city, right?
>> We would like to reach the whole city. We would hike to reach areas that have historically been excluded from affordable housing, which often is contemplated as west Austin. We want to certainly focus our dollars on gentrifying areas and areas at risk of displacement. And then

one of our highest priorities is alignment with project connect. And so through our existing acquisitions we have tried to hit all of those when we can or a combination of those. When we can't, the .45 acres was

[3:46:12 PM]

a reference that obviously a smaller amount than in other districts and it was a parcel that we had acquired to assemble with a larger parcel that we are putting out for solicitation and that's what Jayme was reference at the Maynard road kitchen kitchen I understand now. Thank you very much.

>> Renteria: Council, are there any other questions? We will just move on from there to item 3.

>> Chair. A couple of quick questions. I am trying to get familiar with some of the programs.

>> Renteria: Okay.

>> Just -- and not briefing, I am just trying to get myself a little more familiar W the terms of the assistance program both for the repairs and for the community land trust ownership, are those given to folks that qualify or are they done on favorable terms, for example, the repairs or could you just briefly discuss that?

[3:47:35 PM]

4e8 low the -- hello?

>> I think the speaker may be on mute.

>> Renteria: Okay. The here it is.

>> We can hear you. >>

>> Renteria: Did you hear his question?

>> I am the seeing lips move on the web-ex but not on the audio.

>> Stand by, please.

>> Can you hear?

>> We can hear fine.

>> Oh. I hear Mandy again.

>> Can you all hear me fine?

>> Yes.

>> Now I can.

>> Okay. So councilmember vela, I think the question was kind of two

[3:48:36 PM]

part, and it was about the terms or how the loans are structured for our community and trust and then for our go repair program really really yes.

>> .. I will say for the go repair program that's a partnership with seven nonprofit organizations. It is actually a grant. We provide up to \$20,000 in home repairs for income qualified homeowners and they there are requirements you have to be at or below 80 percent median income so we do an income certification. Typically the homeowners are somewhere between 50 and 60 percent median family income, is what we find on average. The home repairs are

health and safety related and they enable the low-income homeowners, you have to own the home, it has to be a single family home, so you own it fee simple and it has to be within the full burden of proof jurisdiction of the city of Austin.

[3:49:39 PM]

There is, again, as the grant, there is no loan, we do administer a loan program for a larger really more expensive home repair. That's our home repair loan program, which goes up to \$75,000.

>> Okay. Thank you.

>> Okay. And then I know Jayme was talking but I don't think you could hear about the clt program, and how we income qualify and -- so I will let Jayme do that.

>> As mentioned, the community land trust program will be, we will be using the preference policy to select individuals. It will be income qualified for our ownership products. I believe at 80 percent median family income. Once the homeowner purchases the structure, again, just to be clear, the structure is owned by the homeowner, the land is owned by the community land trust, the

-- once the homeowner purchases

[3:50:40 PM]

the unit, they will hold it as long as they, basically as long as they want to but their equity build will be restricted at a certain percentage per year. So once they do resell, they will have to resell to an income qualified purchaser and that equity will be kept, I believe it is at two percent per year. Does that answer your question, councilmember?

>> That does. So do they have title to the property but not to the improvements but not to the real property?

>> Correct. Correct. It is a investigation of the, it is a separation of the dirt from the sticks.

>> Then, for example, can their pass the improvements on to their family members?

>> Yes.

>> Yes. There are rights of inheritance and also we should note that the

[3:51:40 PM]

home buyers in a clt get a mortgage. They get a standard mortgage. Okay. So this is essentially designed to mimic your traditional single-family home ownership minus the land appreciation.

>> That is correct.

>> And how many properties, again, about, do we have in the community land trust right now?

>> Right now we have 15 occupied dlt properties and we have been building that up over -- I am going to say close to ten years, last year, we purchased a portfolio from the housing authority of the city of Austin of 20 single-family homes.

>> We have been slowly rehabbing those and putting those into our clt portfolio, and so when Jayme mentioned the lottery, we now have an additional 29 dlt properties that will be going out through our lottery process really through this year.

[3:52:41 PM]

>> Great. So I guess the long-term the idea is to build up a large portfolio of these properties and have this kind of subsidized sliver of single-family homes available from the city of Austin?

>> That is correct. As you know from a homeowner shipper perspective we are looking at the median home sales price in the city of Austin of close to \$600,000 for sales and we are finding that our community land trust, while it is not scaled, I mean obviously we have a very small portfolio right now, but the community land trust program is one way in which we can help low and moderate income home buyers be able to access homeowner ship.

>> Great.

>> We also operate a down payment assistance program through our incentive programs we have a variety of long-term affordability, where we don't

[3:53:42 PM]

necessarily subsidize it but it is incorporated into developments and it is capped equity as Jayme mentioned at two percent affordability, so there are some different mechanisms, but our community land trust is really one way that we can at fairly and efficiently and effectively help additional home buyers.

>> Great. And just one more follow-up. You had mentioned a subsidy per unit in the \$50,000 a unit range and then mentioned that for the permanently supportive housing with news the \$100,000 a unit range. Could you -- 0 unpack that a little bit? Is that like a construction subsidize the difficult, subsidize difficult or what does that subsidy entail?

>> So as part of our rental housing assistance program, we have a request from developers for - to fill the gap. They have -- they have dumped their capital to construct the development and when they are

[3:54:43 PM]

providing that affordability, invariably there is a rather large gap. Our gap.

>> Our guardrail it is not a federal tick or guidelines issue, it is more of just a guardrail for us to stay consistent. Is to look at \$50,000 per subsidized unit so any unit below 50 percent median family income we are going to target to spend around \$50,000 for the construction and that construction that subsidy on construction will help subsidize the -- or sustainably make the operation of that development more sustainable in the long-term. Since the debt is lower on the front end. We know that construction costs are going up so what used to cost \$20 million to build 200 unit development now costs \$25 million, and while banks are more than willing to issue

[3:55:44 PM]

additional funds, every time a private loan is issued, that increases the carrying costs for the development, so we are an attractive alternative to private equity or private funding. In order

to maintain our funds and to distribute them as far and wide as we possibly can, we still have that guardrail of \$50,000. However, we know that we are going to push up against that guardrail and go probably a little further, particularly for developments currently under construction or coming down the pipeline. When it comes to permanent supportive housing, we know that the operation is not going to have the same cash flow as an affordable housing development, so the construction really does require more subsidy on the I do not end. It is a way to maintain that long-term affordability while still recognizing that a permanent supportive housing development will not have the capacity to pay off a large bank

[3:56:45 PM]

note, but they would be able to pay off a smaller bank note so long as they have a larger subsidy from the city.

>> Okay. Thank you very much. That's very helpful and the final question. The title to the properties that the city is building is held by the city and then the city receives the rental funds, whatever they may be; is that correct?

>> For our partnerships, we create an affiliate of the Austin housing finance corporation to hold the property and that affiliate is also a partner in the ownership of the structure, so we have -- it might be a little overly complex, but it is one affiliate owns the property, the ground, and issues a frownd lease to the partnership, and the partnership is comprised of at least one percent of the partnership is an ahfc affiliate, so we are involved in multiple phases of the ownership structure by being -- by holding

[3:57:47 PM]

the ground lease and by being a member of the partnership that owns the property -- the development, that's how we are able to security that -- secure that tax abatement for the property.

>> Okay. And this is all being done by the Austin housing finance corporation, right?

>> The body that we morph into once in a while.

>> Yes, sir.

>> To pass some agenda items on, huh?

>> Yes, sir.

>> All right. Thank you very much

>> Renteria: And we also have non-profits that have land trusts. The advantage of this for the city is that we don't pay any land taxes, which is very expense expensive. The nonprofit have to pay a certain percentage but those are the partners.

[3:58:50 PM]

Council member Madison

>> Harper-madison: Recently there was a white house presentation on Adu policy. One of the things they mentioned was allowing us to use funding to build Adu's. I wonder if staff has looked into that.

>> Council member, we have not looked into diverting any of the home-repair programs for Adu's. Right now they're federally funded through either home or cdbg. So we have not looked at utilizing any of those. We've looked at increasing the development of accessory dwelling units but not at diverting any of the existing home repair funds for the

[3:59:50 PM]

promotion of accessory dwelling units.

>> Renteria: And, council member harper-madison, if you want to have that as a discussion item for the next meeting, we can do that. We'll put that down as an item to discuss at the next meeting. Members, we need to move on because we have another one that's probably going to have a lot of questions, and that's item three, briefing and update on project connect.

>> Thank you, Mr. Chair. Assistant director Alexander will deliver this presentation

>> Thank you. Greet ING greeting, council members. I've been known to be a terrible comedian with the worst dad jobs. Happy Tuesday, it's the 22nd,

[4:00:51 PM]

22nd year in February and happens to be Tuesday. If you want to know this is -- I'll go quickly but thoroughly. I want to let you know we'll have Steve Greathouse and Ms. Jackson joining at the end. I'm happy to serve as the assistant director here in housing and planning. Next slide, please. So today's presentation is organized to cover these topics. Of course we can answer any other questions you have. If we don't have an answer, we'll be happy to follow up. Next slide. So I wanted to take a moment to put us all on the same page. In many of these conversations we tend to move quickly without understanding what we are addressing. Some people are talking about land use policy.

[4:01:51 PM]

Others are talking about the projection of what is needed based off census data or American community survey projections. Still more are talking about subsidized housing as opposed to affordable housing. They mention the entirety of Austin versus a specific investment corridor. We today are talking about people and centering people and providing a service. We're talking about an opportunity to preserve opportunities for those with the least options in front end efforts and through planning and investments. This exists due to Austin not only attracting more residents but also a result in infrastructure investment to expand transit through bus and light rail. Additionally we are paying attention to multimodal transportation mechanisms that sometimes serve as dog whistles for neighborhood change. This is part of how we approach

[4:02:53 PM]

this work and communicate with some of the most vulnerable austinites. Next slide, please. So what you're looking at is the work that the housing and planning department holds. On the left is a map of the plan transit opportunities. This consists of both light rail and rapid bus transit

improvements. This work is grouped within the term equitable transit oriented development that works around how land use is used, how environmental concerns can show up, current planning considerations, and all the steps that will help deliver the improved transportation options. In the next few slides I will dive deeper on the right-hand side you'll see antidisplacement map with light rail lines and stops and prone

[4:03:53 PM]

to gentrification based on risk level. The differing colors separate the risk level and takes into consideration the risk identifiers and the outline of displacement vulnerabilities alluded to in contract with the voters. After addressing equitable transit development I will dive into strategies and efforts. The staff have worked through this in effort to preserve options and utilize smart and targeted investments. They're on the call and I have to give them kudos. Next slide, please. So what you're looking at now are the expected transit investment areas included where future transit extensions may happen. Our work is in partnership with cap metro and Austin transit partnership. Under council direction we are developing a system wide equitable transit development.

[4:04:57 PM]

Etod -- policy plan which will build on cap metro's etod work. Next slide. What helps give this work context is what equitable is and transit oriented development and how the inclusive training is how transit incentivizes and who that affects and how they are affected. Much of this work uses processes to identify where the investment is going to go. As the community becomes multimodal and provides transportation options these areas become more popular -- not just to reside but for business also. One of the primary considers we have is not just the transit stops but centering our work within a neighborhood model which indicates the impact of transit investments and the demand for which getting to the investment plays. Next slide, please.

[4:05:59 PM]

As I mentioned before, our etod work is aimed at creating opportunities for all incomes and backgrounds. This does not eliminate mashth opportunities but works in conjunction by utilizing our unique ability to consider land use. Planning and engagement communities where absent our involvement may prove difficult. Next slide, please. Finally, to update you on where we're currently at, this flowchart indicates what we are doing right now. We know this is an intense undertaking so I want to thank our government partners for their work and aligning multiple state holder groups, federal and state processes. If you have further questions we have staff available after to answer. Before we go to the staff, I'd like to transition to our

[4:07:01 PM]

antidisplacement efforts and I want to mention we are currently reviewing at 30 per cent the Orange line in all the efforts and activities going on. Staff will be on to give that a little more context, should you have any questions. Next slide, please. As I mentioned before, our displacement focuses on places prone to gentrification and within one mile of project connect. This helps guide our neighborhood level strategy. When I say neighborhood level strategy I'm indicating what you see on the screen -- using that to guide the types of investment that have been considered best practices for these types of communities -- all with the Texas context. All strategies don't work for all communities. Informing the community in what we're doing is a way to build together. This is not predictive. We use data to help guide where

[4:08:03 PM]

we go and this mapping is meant to be updated on a yearly basis. So expect these numbers to change, especially as market rate investments continue on the trend that they have been in recent years. We know as demand increase for a multitude of factors, including market growth, availability of land, lending interest rates and all the considerations that go into development, our projection of expenses will go up. As in situations we are in competition in acquiring opportunities or as we try to preserve them. What this also points out is that as we frame opportunities in areas prone to displacement we are working to remain as nimble and flexible as possible to take advantage of development deals, especially as purchasing power of investment dollars are stretched thinner over the coming years. Next slide, please. Additionally, our displacement framework was guided by our

[4:09:05 PM]

community catalysts. This framework helps provide the tool box of tools we use to inform development of the budget priorities and in consideration and in concert with data and council priorities. Not only does it help inform priorities, it helps guide processes -- helping bridge process and product. I do want to thank the catalyst and equity office for the difficult work. Should council members want a copy of this tool we'll provide the document to you. An e-mail was sent three weeks ago containing this information. Next slide, please. Of our 300 million for antidisplacement activities, here is how the budget or years one and two are outlined. A majority of money will be directed to investments around

[4:10:06 PM]

land and development based on the concept that the land prices will continue to escalate. We have set aside a portion for community development opportunities to help stabilize families as they fill the displacement pressure. Because it can stretch for years we plan to continue focusing on stabilization efforts while supply of housing decreases. Previous slides show funding for years one and two. What about the other years? Right now we're aligning the future years of resources in H working to present to the community advisory committee a strategic outline of how to fund decisions that align with input, data analysis, council and mayoral concerns and directions. This outline has been presented to housing and finance

[4:11:06 PM]

subcommittee is being taken to broader -- it's being taken in March. Happy to report back on this forward-looking strategy upon the cac's response. The intent of the efforts is so we are in lock step, that we can be transparent and offer opportunities for input as we move forward. Next slide. So what does the future look like for this work? We will continue our outreach. Many austinians are concerned. We are continuing with current engagement strategies and improving information and access for the etod work and antidisplacement work. We are leading work based on a feedback loop from council, partners and industry professionals.

[4:12:06 PM]

Finally, we will continue to work through providing fiscal updates on expenditures in an effort to improve transparency and build community confidence and trust. Next slide. I know this was a bit long winded but I wanted to be sure I provided as much of an update as possible for what proves to be exciting and challenging opportunities for the city of Austin. We only spoke of two processes. There are many others that are in concert with this effort and many that are needed, including financial resources for housing and desirable and amenity-rich areas. I can't end without thanking the staff who do this work every day. They don't get much light but grapple with thankless processes so I want to be sure to take one moment to thank them. Happy to have staff join and any questions you might have for myself and the team.

[4:13:13 PM]

Thank you

>> Renteria: Council member kitchen?

>> Kitchen: Thank you very much. This is exciting, the work you've been doing. And I appreciate the way that you all are evolving the program for the use over the antidisplacement dollars -- use of antidisplacement dollars under project connect. I want to say kudos to you and the entire team for that. I appreciate that. I do have a question, not specific to the anti-displacement but the etod. I'm wondering if you have at the moment a time line that's more detailed on the etod study process. When will that -- when do you expect to get the initial recommendations back to council? The -- we passed it last year and there was an interim preliminary recommendation that was due to us and I don't remember the time frame.

[4:14:13 PM]

Then there was a final report. If you can give that to me off line if you're not sure right now. Do you know what the time line is?

>> I'm hoping that we have Stevie Greathouse join. If not we'll get you an answer either today or tomorrow morning. I don't see her joining on this call

>> Kitchen: Okay. What I'm looking for is, you know, that resolution had two parts -- preliminary, which I think was six months, but that may have been wrong. That was council

member harper-madison's resolution. If you could let us know the time on that, that would be great. The second question -- or just to note -- and for my colleagues and for you all, I appreciate you working with us. The resolution that's on our

[4:15:14 PM]

next council agenda with regard to antidisplacement dollars this year is aligned with what you laid out. We appreciate working with you on it. There's language that captures what you're planning on doing in the future, as you mentioned, in terms of really analyzing different geographic areas and neighborhood-level strategies. So appreciate that.

>> Thank you. Council member, Stevie has joined. I don't know if you heard the question.

>> I did. I was sitting in the Aten Dee room -- sitting in the Aten Dee room waiting to answer. The question was sort of on time line and responding back to the resolution that council did approve directing us to bring back an etod policy plan. We are working fully in partnership with the capital

[4:16:15 PM]

metro team on the etod study work that will be focused along the Orange and blue lines that was laid out in the presentation. They anticipate wrapping up the study we're working on partnership with them on in August around this year. We would then move forward to do additional work to bring to council the deliverables asked for by the etod plan. Our current goal is to bring that work back to council by the end of the calendar year.

>> Kitchen: Are you thinking about an interim? Any kind of preliminary to help us see what's coming together?

>> There will be deliverables that will be produced as part of the partnership work around capital metro that would be available out for public review. In terms of bringing things forward for council action, we

[4:17:15 PM]

probably --

>> Kitchen: I didn't mean for council action.

>> Okay

>> Kitchen: I was thinking more for an update.

>> Updates will happen prior to the end of the year. We'll provide a detail memo letting you know where we're at on the time lines prescribed under the resolution, what we've achieved so far in the partnership of capital metro on the etod study. We expect deliverables will start to be presented to council and committees in public setting as we head into the spring and summer so you will receive information prior to the end of the year

>> Kitchen: That sounds great. We can talk about it off line. I would love to have a work session briefing around August or July as cap metro is finalizing their work. We can talk about that off line. So thank you.

>> Renteria: Council member

[4:18:17 PM]

Ellis?

>> Ellis: Thank you, chair. I'm not sure who this question might be for. Where do you see similarities or differences between the etod planning and antidisplacement funding? I'm imagining with antidisplacement -- I think I remember seeing a map where there's a certain distance from the rail lines that are being looked at. With etod I think of that being hypercentralized. Are those two processes talking to each other?

>> Yes. That's the uniqueness of the HPD department is we have these internal conversations. On the ability to unlock through etod the possibilities of investments and where they could be in relation to antidisplacement efforts. As you saw on the map we would be able -- I believe our antidisplacement team is looking for a way to overlap where the work is going to happen and where that is in

[4:19:17 PM]

relation to the displacement effort to coordinate and analyze the options for investment. We are having that conversation and we continuously have that conversation. I don't know if there was anything that rosey or Stevie wanted to add.

>> I think you captured that well. There's a lot of interclub ration and it's something we're quite proud of

>> Ellis: Glad to hear that.

>> We have Ms. Jackman on the line, who is leading the antidisplacement team.

>> Chair: Council member vela and then council member kitchen.

>> .

>> Vela: The early money for the etod, is that being used for land acquisition -- for the \$300 million that was passed as part of the project connect

[4:20:17 PM]

funding. Where are we on that?

>> Yeah. I can hand that over to rosey and Mandy to address that.

>> Why don't you talk about that program.

>> Happy to take that on. The first amount of funds was approved by city council last year. That's 23 million for land acquisition and preservation. We created a program that was officially launched. It is called atcap. We have allocated \$8 million for local community development corporations to tap into to preserve and/or acquire land for small-scale affordable housing development. You will see the first award coming to the ahfc board on March 24th.

[4:21:18 PM]

We're excited about that. In addition, as was pointed out when he talked about the budget for the additional \$65 million we are aligning the 300 million -- the antidisplacement funding, 21

million of it, this fiscal year with our Roda and oda programs. The may application process will include availability, some antidisplacement funding for developers who need financing for affordable housing development who meet certain criteria. One is that they are in the geography that was laid out beautifully with the map showing the buffers around the stations within one mile of project connect in areas that are experiencing displacement.

[4:22:18 PM]

We're really leveraging our antidisplacement dollars with some of the existing programs to make sure we're channelling those investments into areas as risk of displacement and have been identified through all the work that was mentioned.

>> And on that same note, again, I'm learning but trying to think conceptually about this. I would imagine we would want to front load our land acquisition just because, you know, the land is cheaper today than it will be in 2030 or wherever -- I mean, presumably. Is that where we are in terms of the program? Again, I ask that because I saw that kind of like parcelling out in little chunks over the next 15 years, which I understand. But again, given the real estate prices that we've seen, I guess I would hope more of the land acquisition was front loaded.

>> Yes. That's something we're taking

[4:23:19 PM]

into consideration and actively implementing. You'll see two-thirds of the financial resources we have now are for acquisition and development. Part of it was for neighborhood stabilization. Families are feeling the brunt of increases now. As we look to the future we -- I don't want to get too presumptive but I believe we'll make sure -- over the course of time it will be more expensive and by the time our resources are done, over the next 13 years we would have gone through another census count. So we recognize that in all actuality the cost of building and acquiring properties are probably the least expensive now than they will ever be from this point forward looking at the projection of -- as a result of Austin's success.

>> Vela: A final question, all the money for land acquisition

[4:24:20 PM]

is going to be spent on properties within one mile of a project connect line. Is that -- did I understand that correctly?

>> Yes. One mile of project connect line and our station areas. Yes.

>> Vela: And final one, I would like that book. I may not have been on council when that e-mail went out.

>> We'll get it to you.

>> We will make sure you get it and there are a couple of interactive maps that nefratiti's team -- I've had the privilege of meeting with council member kitchen and it identifies who we're serving, what the education levels are -- all the different things are you would consider in determining what would believe offered in the spaces. We have it both in a printed version and

we have it as an online tool because we believe the digital divide is real. We want to be sure not only are

[4:25:22 PM]

we providing information but how and who we're providing it to is a way we're all trying to build -- community trust, that we're investing their resources in a targeted and smart way and we're willing to share the information and process as to how.

>> Vela: Great. E-mail is fine for me.

>> Chair: Council member kitchen?

>> Kitchen: A few quick follow-ups. One thing that will be interesting going forward -- and I know this is something that will be useful to the city staff also is, you know, the amount of dollars that comes to us every year is controlled by the agreement between the atp and the city. And so the atp has up loaded the first amount but the rest if you look back at the time line, it's the same amount every year. We've had some conversation in the past and we really need to

[4:26:22 PM]

have more conversation with atp about front loading the dollars more, particularly when you look at the last bunch of years where you have X million in year '13 or whatever it is -- that's really too late. We've had those conversations. It will be timely at some point to have further conversations with atp. I'll be happy to share that information with you. We built into the joint powers agreement some language around reviewing that allocation between atp and the city on a regular basis, so I'll be happy to share that with everyone and remind everybody where that is because to the extent that atp can and still -- you know, and still make project connect work we need to up front the antidisplacement dollars. I wanted to mention that. The second thing is a quick question because I know we're

[4:27:23 PM]

probably running out of time. When you're ready, I would be interested in understanding how you're moving toward measuring success of antidisplacement. In other words, what are the kpi's. The contract with the voters contemplated developing some kind of dashboard that measured success on antidisplacement, and I know you probably haven't gotten to that yet, but at the right time I'd love to understand how you're working towards that so we know we're using the dollars as effectively as we can. It's really a tough issue that we're taking on here.

>> Absolutely, council member. I don't -- Ms. I'll offer her the opportunity to speak on that if she'd like. We have started some of that work. Happy to give you a highlight, but I'll give that up to

[4:28:30 PM]

nefratitti.

>> Chair: I also really want to know. We are capturing about five per cent back on metro and the housing. Isn't that correct? We went up to three per cent -- three and a half per cent? And, you know, I know in the future we're going to grow our tax base

>> Kitchen: Uh-huh.

>> Chair: That's really what I want to see. As we grow our tax base, can we get some of that money up front and then --

>> Kitchen: Yeah.

>> Chair: Not wait until the end. I'd really like to -- we'll find that out when we have our joint meeting. I want to focus on that discussion also. Thank you, staff. I think it was an excellent presentation, and I really want to thank y'all. Any other questions before we move on?

>> I think we had one response to council member kitchen's high-level question,

[4:29:31 PM]

if that's okay.

>> Chair: Okay.

>> Yes. I was okay if we didn't answer that because we are still in the process of developing our kpi's. We have been -- staff has been working both with the innovation office and HPD staff to get further clarifications, further clarification so that we can make sure that we are measuring both and reporting out units and people and also deciding what type of dashboard or metric or where we will present this information, what is the platform that will be reflective of the work and the investments that are being made. Certainly the maps that were developed by the team are really going to be informative as we, you know, collect the data that is coming in as a

[4:30:32 PM]

result of the contract and investments that will come in. We're still fine tuning those details at this time.

>> Yeah. I think she's being kind. What we're trying to do is analyze the resolution. Some of it are language around predictive modelling, which was more of a market-base kind of analysis. What we currently have up fulfills part of the key performance indicator requirements in the resolution. What we're continuing to develop out is per line in the resolution how you deliver what is being asked to deliver and if I'm being honest, it looks like a reflective process on how and what we've invested and what the impact has been. Rosey, I don't know if there

[4:31:33 PM]

was something you wanted to add.

>> No. I was going to introduce the next item.

>> Okay.

>> Chair: Thank you. It was really great to hear from you, Ms. Jackman. Glad to hear you and keep it up. We're going to need all the help that we can get. All right, council members. We're going to move on to the last and final discussion item -- briefing item. Staff is going to brief us on Austin housing finance corporation, the initiative including tax increment reinvestment zone

in a homestead preservation district, hotel conversion, potential creation of a public facility corporation and other ahfc investments related to affordable housing.

>> I'm going to ask our newly appointed deputy director Mandy

[4:32:37 PM]

Demayo to please lead this presentation. And Mandy, we can't hear you.

>> Hopefully you can hear me now.

>> Now we can.

>> Happy to lead this. I don't want to call it a presentation because there are no slides. It's just going to be a high-level response to interest in some of these items and we're happy to do a deep dive into anything and everything at a subsequent housing and planning committee meeting. I will say regarding the HPD tirz, which encompasses all of central east Austin, I want to let you know the current balance is a little over \$5 million in that tirz. Our next step -- and we will be bringing to council -- is a budget for use of these funds. We created, you will recall -- last fiscal year we created the

[4:33:39 PM]

tirz board, which is the mayor and city council. We will bring you what's called a financing plan for state legislation. That's how we plan on investing these dollars, the budget that we present has to be adopted by the tirz board prior to dispersing any of the funds. We hope to do that this fiscal year. That was currently our plan. Another thing are the hotel conversions which we talked about previously. As mentioned and you saw on the map, we have three hotels -- candle wood bungalow -- that was approved, creating subsidiary corporation -- single asset, single liability nonprofit corporations to hold these hotels and to -- working with our community-based nonprofit organizations,

[4:34:41 PM]

partnering with them on the rehabilitation and operation of these developments as permanent support of housing, combined with -- I think council member kitchen asked about our coc units and the graph showing a dramatic increase. As Jamie mentioned that graph is a -- 171 new units being constructed. We're super excited. It's gone vertical. We hope to have that open but we will have more than 400 permanent supportive housing units that we'll have coming online in short order. We're excited about the hotel conversion strategy. Another thing coming up -- coming your way next week, actually S the public facilities corporation. City council will consider the

[4:35:41 PM]

creation of the Austin housing public facilities corporation, organized under a separate chapter of state law. It will be parallel to Austin financing corporation in terms of our mission and vision and how we invest dollars but will provide us access to a separate pot of private activity bond

funding at the state level which is crucial to get our pipeline of affordable housing moving. And the creation of this will potentially triple the number of developments or units that are supported by private activity bonds. That's coming to you next week. In addition, next week you're going to see a couple of -- on the agenda a couple of projects -- ownership development assistance that

[4:36:42 PM]

will provide 37 affordable homes. As mentioned previously you have your agenda -- aroda for integral -- this is for 45 individuals off manchaca road. We are excited about all these developments and activities. We have a lot going on. Again, happy to do a deep dive into any of these at a future housing and planning committee meeting. Please just let us know if you have any questions. We're happy to answer them now or follow up in the future.

>> Thank you, Mandy.

>> Chair: Thank you. Congratulation on your event -- on your promotion.

>> Thank you.

>> Chair: Any other questions, colleagues?

[4:37:43 PM]

Council member vela?

>> Vela: How many hotel -- so all of the hotels that we're using for permanent supportive housing have been purchased through Austin housing finance corporation.

>> For permanent supporting housing, yes. Her hotel con -- the hotel conversion strategy is a little broader. We purchased two hotels with alternative sources of funds -- not permanent supportive housing but similar target population -- people experiencing homelessness. One we utilize funds. The other -- on south 35 we utilized our federal funds.

>> Vela: How many hotels has the city purchased at this point?

>> We have purchased five hotels in total. Three will be utilized for

[4:38:45 PM]

permanent supportive housing and two for bridge housing.

>> Vela: How many are operating right now?

>> The two bridge housing are operating. The three permanent supportive housing are in the process of lining up for permanent financing and rehabilitation dollars.

>> Vela: When those -- are there anymore hotel purchases in the pipeline?

>> We've worked closely with Diana gray. She has plans but no hotels identified. It is one piece of the strategy. But she doesn't have a specific hotel identified. I know the need is great for additional permanent supportive housing.

>> That's another item we could choose to dig in at a future meeting if that's the

[4:39:46 PM]

will of the committee.

>> Vela: One more. Of the three that are operating right now, how many units are we talking about?

>> There's three that are not operating.

>> Vela: Okay.

>> That are being converted to permanent supportive housing. One is partnership with foundation communities. That will be around 130 units. The others are less than a hundred units. Bungalows is with integral care and --

>> Vela: Again, not to put words in anybody's mouth. Right now we have two hotels for bridge housing and we're talking about 200 units or so that are available to house folks

>> That is correct. In the bridge housing. Permanent supporting housing will bring on additional about

[4:40:48 PM]

300 units.

>> Vela: Thank you very much.

>> Chair: Council member vela, this will conclude item four. I need to let y'all know that for the next agenda I will be taking -- if you have any items that you want to post in the future, please let my office know and we'll get it done. Also want to get a little more in depth on project connect here at our next meeting. Had some conversation with some of the nonprofit coalitions and they have a couple of questions and concerns that I just want to -- I'll let you briefly -- learn more about it. I would let you know so you can look into it and be able to provide our colleagues some answers on some of these and maybe we could come up with some solution on how to work

[4:41:49 PM]

with them more closely and take advantage of the opportunity. You know, as I know that some of the nonprofits are sitting on some land and they might be a little larger than one acre. And maybe we can fit them into some of these programs, especially project connect. I'll be very interesting to find out and also as you said that we're -- set aside \$8 million for the community -- I'll be wanting to know how that's going to operate and work. I think that's a good opportunity for us to use our community group, especially if they're sitting on some property we can develop. So if we can learn a little more about that program and how it operates. Today we just sat down here to meet so that we could, you know, get updated on what's going on.

[4:42:50 PM]

And we have a new colleague here from housing. So I really want to thank y'all for the presentation y'all made. And now that we're catching up and, you know, the work is going to start and we need to really just push real hard to get as many units out there. We're hurting and we hear the public. And they want more housing, and my big goal this year is to achieve that goal and build as many affordable units as possible. So thank y'all. Colleagues any -- all

right. Let me close this out. Without objection, I'll adjourn this meeting here at 4:43. Thank you, everyone.