

This Attachment (Attachment B) represents staff recommended changes to "Attachment A - ETODPolicyPlan_PublicReviewDraft" based on additional coordination and public input received since 11/1/22. The general public survey closes at 11:59 p.m. on 12/2/22 and two more Commissions may take action on the ETOD Policy Plan on 12/6/22; therefore, this table may be updated during the week of 12/5/22 before Council considers this item.

ID	Feedback Source	Page #	Change Proposed/Comment/Question	Staff Response & Recommendation
B - 1	General corrections from ETOD project staff	Various	As staff finds minor errors, such as typos or formatting mistakes, these will be fixed when producing the final ETOD Policy Plan document, after Council approval.	N/A.
B - 2	Early Childhood Council	TBD - various	The Early Childhood Council voted at its 11/9/22 meeting to form a working group to make recommendations on the ETOD Policy Plan. These detailed recommendations are under review and staff will respond to them before the Council considers this item.	To be determined. If changes are recommended after review, staff will publish them in the updated Attachment B the week of 12/5/22.
B - 3	Austin Public Health Staff	Various	ETOD staff coordinated further with APH staff during this final public review period to better reflect their ongoing work on improving access to childcare. Staff recommends updates be made to the following tools to reflect this ongoing coordination: - Affordable Ground Floor Space for Local Businesses and Non-Profits tool, - Childcare Grants tool, - Universal Basic Mobility Pilot tool, and - Establish High Affordable Housing Goals for Publicly Owned Land with ETOD Areas tool.	Staff supports these changes. Staff proposes edits to these tools to better reflect the ongoing work of the City. Specifically: - On page A35 , for the Affordable Ground Floor Space for Local Businesses tool, staff suggests tracking both "...the number and type of small businesses and non-profits receiving funding for subsidized space..." - On page A82 , for the Universal Basic Mobility Pilot tool [future page A84 after additions suggested to the "Community Land Trusts & Other Shared Equity Homeownership Models" tool per B-5], staff suggests the last sentence of the first paragraph now read "...programs like UBM, and the program should consider targeting those most in need like extremely low-income community members, people experiencing housing instability, or workers in traditionally low-wage industries like childcare and service industries where employees are not required to be paid the federal minimum wage, etc." - On page A101 , for the Establish High Affordable Housing Goals for Publicly Owned Land within ETOD Areas tool [future page A103 after additions suggested to the "Community Land Trusts & Other Shared Equity Homeownership Models" tool per B-5], staff suggests adding the following bullet as an Implementation Challenge and Consideration: "While high amounts and deep levels of affordable housing are key to achieving our ETOD Goals, other community benefits and services such as affordable childcare, affordable business space, etc. are also necessary. Other needs like these are already being considered and processes developed for establishing those needs; for instance, Austin Public Health staff has worked with the City's Office of Real Estate and Economic Development Department on establishing a scoring matrix/scoring for City developments." - On pages A44-A45 , for the Childcare Grants tool [suggested renamed to Childcare Grants and Other Family Supports] staff will be suggesting detailed edits. These recommended edits will be published in the updated Attachment B the week of 12/5/22.
B - 4	SpeakUp Austin webpage and survey	A62-A63	Soft density' should include fourplexes as they are allowed under standard federal residential housing mortgage guidelines (a fourplex is a house) and are among the most cost efficient housing forms. Allowing more units within the same building envelope encourages smaller, more naturally affordable units	Staff supports this change. Staff proposes edits to the "Soft Density By Right" tool to make it clear that fourplexes are also a home type that falls within this definition of soft density. Specifically, staff suggests the first sentence of this tool should now read "The City of Austin Housing and Planning Department should legalize the development of soft density typologies (like townhomes, duplexes, triplexes, and fourplexes)..."
B - 5	Email from the public	A52-A53	Policy Tool "Shared Equity Models"- include LECs in description, local examples and success metrics	Staff supports this change. Staff proposes edits to the tool "Community Land Trusts & Other Shared Equity Homeownership Models" to add more information about existing Limited Equity Cooperatives in Austin and success metrics related to them. See recommended pages [meant to replace A52-A53 from Attachment A] attached in this document.
B - 6	Organizational Summit participant; Staff coordination	29	Both the concept of the City's ongoing work with siting Resilience Hubs and evaluating Childcare Deserts came up as possible additional factors to consider when prioritizing either policy tool implementation and/or planning services.	Staff supports this change. Staff agrees these should be additional factors considered either during the focused station area planning process, or be considered alongside the station area planning priority level (high, medium, or low) among the other factors such as collaboration opportunities and balancing planning across bus and rail and in different parts of Austin. Staff suggests amending page 29 to read: "Those factors may include whether we have a chance to collaborate with other partners (like with other governmental entities such as local school districts, or other City initiatives such as creating resilience hubs or increasing childcare access). We will also strive to balance planning across..."

Staff suggested updates to tool; see B-5.

Community Land Trusts & Other Shared Equity Homeownership Models

Implementation Lead

City of Austin Housing and Planning Department; Austin Housing Finance Corporation

Partners

For-profit and non-profit developers

Timeline

Commence Planning and Design:
1 to 2 years

Implementation Begins:

Prior to Transit Construction

Active Period:

Ongoing

City Council Goals

A, B, C, D, E, F, G, H, M

ETOD Goals

2. Help to Close Racial Health and Wealth Gaps
3. Preserve and Increase Housing Opportunities that are Affordable and Attainable

Strategy: Financing Tools

Description: Austin Housing Finance Corporation, with support of the City of Austin, should consider expanding the Austin Community Land Trust program to increase the supply of home-ownership opportunities for low-income households. Along with Limited Equity Cooperatives and Deed-Restricted Homeownership, Community Land Trusts (CLTs) are one of the three main shared equity models in the US. Shared equity programs facilitate homeownership for low-income households by decreasing the costs of home purchases. These models can allow for affordable development in areas where density is limited by zoning and other regulatory challenges. CLTs and deed restricted models can introduce long-term affordable options in primarily single-family housing neighborhoods.

Community Land Trusts create homeownership opportunities for moderate-income households by allowing buyers to purchase a home and lease the land for a small monthly fee. By taking the cost of the land out of the real estate transaction, land trust homes are more affordable than houses on the open real estate market. CLT's provide access to quality housing for low- and moderate-income families and keep housing affordable for future buyers by controlling the resale price of the houses on CLT land through a 99-year renewable ground lease and resale formula.

Limited Equity Cooperatives (Co-Ops) allow families to purchase a partial stake in a multifamily property through shares of a cooperative corporation that owns the entire housing complex. Each member of the cooperative receives a right to occupy one unit, as well as a vote on matters of common interest. Cooperative members share responsibility for maintaining common areas and admitting new members. Share prices are set

by a formula contained in the co-op's bylaws, subscription agreement, and stock certificates. Co-ops promote housing affordability by allowing families with low and moderate incomes to own their homes, decreasing their exposure to rapid rises in rents. Co-op models can be an effective tool to create both homeownership and housing stability, thereby reducing the displacement pressures associated with rapid rent growth.

Deed-Restricted Homeownership promotes long-term affordable homeownership by subsidizing the initial purchase of a home in exchange for limitations on the future sale

Staff suggested updates to tool; see B-5.

price of the home. These restrictions require that the home be sold, and eventually resold, to buyers meeting certain qualifications—for example, incomes below 80 percent of the area median—at an affordable price as defined according to a formula set in the deed restriction or covenant. These mechanisms allow for the preservation of affordable homeownership opportunities.

Does something like this exist in Austin today? If so, how does this tool build from existing program? If not, could it exist?: The Austin Community Land Trust program is operated by the Austin Housing Finance Corporation and targets first-time homebuying households earning less than 80% AMI. The program has an initial stock of 44 homes, which will be sold via a lottery to eligible applicants. The program seeks to lower the cost of homeownership and improve housing security.

Austin's Housing Finance Corporation also helps fund community partners like the Guadalupe Neighborhood Development Corporation (GNDC) which operate their own CLT programs. These independent operations could be bolstered through further partnerships with City programs as a means of enhancing the affordability of CLT transactions. GNDC has 112 units in its CLT pipeline.

A number of co-ops already operate in Austin today whose missions focus on providing attainable homeownership:

- Community Housing Expansion of Austin (CHEA) creates and sustains co-ops by overseeing long-term financial planning, maintenance plans, and legal compliance of its communities; currently, two properties (Sasona Coop in South Austin and La Reunion Coop in North Austin) operate under CHEA.
- Asociacion de Residentes de North Lamar is a Resident-Owned Community (ROC) of manufactured homes, organized through a partnership with ROC USA (a national non-profit created to guide manufactured home communities through the cooperative agreement process).
- Boomers Collaborative Foundation (BCF), an Austin-based non-profit focused on a holistic approach to seniors and aging in place, is working towards completing planning for their first shared equity affordable senior housing cooperative located in Crestview Village near the Project Connect Red Line and future Orange Line.
- The Texas Rural Cooperative Center has been working with the City of Austin Economic Development Department on supporting small and mutually owned businesses, especially cooperatives, by providing training and coaching to cooperative boards of directors to advance success and efficiency as well as assist with start-up, expansion, and operational improvements.

While this list is not exhaustive of all the successful cooperative organizations and properties in Austin, it does provide evidence that limited equity cooperatives are a viable, sustainable and attainable homeownership solution for individuals and families. Partnering with existing organizations who promote cooperative living and business models to create new opportunities for homeownership, affordability, and housing stability can strengthen the implementation of this tool.

Staff suggested updates to tool; see B-5.

Implementation Challenges & Considerations:

- CLT programs are most impactful for moderate-income households who can cope with the financial burdens associated with homeownership. The impact of CLT programs for low-income households is limited without further subsidies.
- Affordability potential of program could be enhanced by facilitating the layering of existing home purchasing subsidies like down-payment assistance in CLT transactions.
- CapMetro and the City of Austin should consider leasing or donating vacant land to the Austin Community Land Trust to facilitate the development of low-income homeownership opportunities around the transit corridor.
- Shared-equity housing programs require long-term capital commitments in the form of long-term, low-cost, land leases. Program design and calibration might entail trade-offs between enabling wealth creation opportunities vs. maintaining long-term affordability.

Success Metrics:

- Number of moderate-income households that purchase a home through a CLT.
 - This data should also be broken out to understand the number of BIPOC-headed households accessing shared equity homeownership opportunities.
- Homeownership retention rate for low- and moderate-income households 5-10 years after purchasing a home through a CLT, which may be verified through Travis County parcel data or survey follow ups with program participants.
- Number of households and/or individuals served by cooperative properties.
 - This data should be broken down demographically to understand the number of BIPOC households that are served by cooperative housing.
 - This data should be broken down demographically to understand the number of households of different ages and abilities that are served by cooperative housing.