



BOARD/COMMISSION RECOMMENDATION

Early Childhood Council

20221109-009: Recommendations for Equitable Transit-Oriented Development Policy Plan

WHEREAS, access to high quality child care is a priority for the City of Austin strategic outcomes in economic mobility and affordability; and

WHEREAS, child care is a family's largest expense after housing yet child care programs operate on profit margins of less than 1%. Therefore, for child care businesses increased rents or facilities are cost-prohibitive to expansion or capacity building within Austin; and

WHEREAS, child care programs are reporting unprecedented challenges with recruiting and retaining staff due to the inability of staff making \$12-\$13 per hour to live and work in Austin. Housing and transportation costs are significant barriers; and

WHEREAS, the COVID-19 Pandemic devastated the child care sector resulting in the loss of 20% of our existing child care capacity in Austin/Travis County while the factors noted above make it difficult for child care programs to remain in operation or to expand to address needs of families in areas at risk of displacement; and

WHEREAS, Black and Hispanic/Latinx families frequently prefer home-based child care programs, and home-based child care programs are more likely to accommodate needs for non-traditional hour care for individuals working in low-wage jobs. Home-based child care programs also tend to serve a high percentage of the community's infants and toddlers. ATX lost 20% of its child care supply during the COVID-19 pandemic, and 72% of closures were licensed/registered child care homes; and

WHEREAS, research shows that the co-location of affordable, high-quality childcare and affordable housing – all within walking distance to public transportation – increases parents' participation in continuing education, workforce development programs, and the workforce. For most families but especially for lower-income families, parents seek child care within three miles of their home. Situating quality child care facilities within new TOD's will significantly benefit those families.

NOW, THEREFORE, BE IT RESOLVED that the Early Childhood Council encourages the Austin City Council to incorporate the following recommendations to the Equitable Transit-Oriented Development Policy Plan:

- In affordable housing development, consider capacity for including affordable, high-quality child care
- Prioritize home-/family-based child care providers in homeowner and tenant support services
- Include child care staff for eligibility/priority in the universal mobility pilot program
- Incorporate access to child care as a community benefit on the equity score card
- Consider adding child care facilities in the development of station areas

Note: Additional details on these recommendations have also been submitted to the Equitable Transit-Oriented Development (ETOD) Team at the Housing and Planning Department, to inform the ETOD Policy Plan.

Date of approval: November 9, 2022

Record of the vote: Unanimous on a 9-0 vote

Attest:

A handwritten signature in blue ink, appearing to read "Carl P. O.", is written over a horizontal line.

On November 9, 2022, the Early Childhood Council (ECC) voted unanimously on a 9-0 vote to encourage the Austin City Council incorporate the following recommendations to the Equitable Transit-Oriented Development Policy Plan ([Recommendation 20221109-009](#)):

- In affordable housing development, consider capacity for including affordable, high-quality child care
- Prioritize home-/family-based child care providers in homeowner and tenant support services
- Include child care staff for eligibility/priority in the universal mobility pilot program
- Incorporate access to child care as a community benefit on the equity score card
- Consider adding child care facilities in the development of station areas

The ECC also approved the creation of a workgroup at the November 9th meeting, to draft more detailed recommendations on behalf of the ECC. Chair McHorse and Commissioner Alvarez prepared the following detailed recommendations tied to the draft policy toolkit in the Equitable Transit-Oriented Development Policy Plan:

Policy Toolkit Tools:

Small Business & Workforce Development Tools

- **Small Business Assistance Fund:** *(Expand upon the structure of the City of Austin's small business relief grant and would be available to businesses along the corridor on an ongoing basis to help enhance the longevity of small, independent, and BIPOC-owned businesses)*
 - Consider including a priority for child care operations (Licensed Child Care Centers and Licensed/Registered Child Care Homes) to be eligible for this fund.
- **Affordable Ground Floor Space for Local Businesses & Non-profits:** *(Incentivize developers to provide affordable and favorable ground-floor lease terms for small businesses, non-profits, and community-supporting space as part of the parameters set for future land dispositions led by the City and CapMetro, such as business affordability criteria that is tied to standard ratios of Annual Sales (Revenue) to Annual Rent for target industries. The City can also deploy funds to subsidize local or legacy businesses within ground-floor space)*
 - Consider licensed child care centers that meet requirements of providing affordable (accepting child care subsidies) and high quality (National Accreditation or Texas Rising Star 3 or 4 star) as a community-supporting business, recognizing that market rate rents are unaffordable for these businesses in order to pay a living wage to employees.

Housing Affordability Financing Tools:

- **Developing and Augmenting Housing Funds for Preservation & Creation of Affordable Housing:** *(Support local government agencies, non-profits, and developers to use affordable housing funds to preserve existing affordable housing or acquire land parcels for future residential development)*
- **Land Acquisition for Affordable Housing** *(Consider opportunities to support future affordable housing development by the City of Austin acquiring property along the transit corridors.)*

- Establish a threshold of affordable housing units that requires co-location of child care facilities. Require inclusion of affordable, high-quality child care facilities in affordable housing developments that meet that threshold, and explore financing tools to preserve and create child care facilities where feasible in conjunction with affordable housing development.

Land Use Strategies:

- Streamline permitting and zoning process for child care operations (Licensed Child Care Centers and Licensed/Registered Child Care Homes) to increase child care capacity along with housing near transit and employment hubs.

Home Ownership & Tenant Support

- As related to Home Ownership & Tenant Supports, prioritize operators of licensed/registered child care homes as eligible for support such as down payment assistance, home repair, emergency rental assistance, and right to counsel in order preserve and build capacity in high quality, affordable child care homes

Mobility

- **Universal Basic Mobility Pilot** *(Create a pilot program covering the cost of a variety of transportation services for qualified households)*
 - Consider opportunities to prioritize “essential workers” for priority in a pilot, specifically employees of high quality, affordable child care programs who earn less than a living wage.

Land Use and Urban Design

- **Allow More Flexibility in Permitted Ground Floor Building Uses** *(Expand currently allowable ground floor uses in zoning code beyond retail to allow for other neighborhood services, amenities, and types of businesses)*
 - Allow flexibility to include high quality, affordable child care as a permitted use.

Development Incentives, Standards, or Regulations

- **Establish High Affordable Housing Goals for Publicly Owned Land in ETOD Areas** *(Mandate a minimum percentage of housing units to be affordable to ensure an inclusive station area on publicly owned parcels)*
 - Tie access to high quality, affordable child care to affordable housing goals so and incentivize low/no cost rent for child care facilities to match with potential need based on housing stock.
- **Incentivize Public Amenities that Improve Community Health and Wellbeing** *(Evaluate potential incentives (financial or administrative) that could be provided for ETOD projects that design public spaces and public amenities to facilitate community gathering, neighborhood commerce, festivals, and sustainability)*
 - Include family-friendly public amenities that are designed for the needs of families with young children



MEMORANDUM

TO: City of Austin Mayor, Mayor Pro Tempore, and Council Members

FROM: Awais Azhar, Chair, Project Connect Community Advisory Committee

CC: Spencer Cronk, City Manager, City of Austin
Gina Fiandaca Assistant City Manager, City of Austin
Rodney Gonzales, Assistant City Manager, City of Austin
Rosie Truelove, Director Housing and Planning Department, City of Austin

DATE: November 10, 2022

SUBJECT: Project Connect Community Advisory Committee Equitable Transit Oriented Development (ETOD) Policy Plan Recommendation

The Project Connect Community Advisory Committee (CAC) supports approval of the Equitable Transit Oriented Development (ETOD) Policy Plan. Over the past several months, members of the ETOD Working Group of CAC have been working closely with Community Connectors, staff, and consultants in the creation of this plan.

The plan centers equitable outcomes, while building on existing frameworks such as the Nothing About Us Without Us Report and Racial Equity Anti-Displacement Tool. Most critically, this plan was developed through sustained engagement with the community, particularly those most impacted by such policies.

The plan identifies six goals that will continue to guide ETOD planning through a shared vision.

- Goal 1: Enable all residents to benefit from safe, sustainable, and accessible transportation
- Goal 2: Help close racial health and wealth gaps
- Goal 3: Preserve and increase housing opportunities that are affordable and attainable
- Goal 4: Expand access to high-quality jobs and career opportunities
- Goal 5: Support healthy neighborhoods that meet daily needs
- Goal 6: Expand Austin's diverse cultural heritage and small, BIPOC-owned, and legacy businesses

The ETOD typologies, planning priorities, and policy toolkit highlighted in the plan provide a roadmap for achieving these goals. At the same time there is a clear focus to address any potential transit-induced displacement pressures and ensuring that all Austinites have access to equitable opportunities.

While adoption of the policy plan is a critical step in helping us accomplish the identified goals, making them a reality will require equitable planning initiatives, adoption of new policies and strategies, targeted community investments, and leveraging the utilization of public land. As we move forward, this work will require a focused commitment from the City of Austin, Capital Metropolitan Transportation Authority, and the Austin Transit Partnership, including a commitment from our elected officials and City management. Furthermore, these policies and goals must be considered holistically, as part of a cohesive strategy that ensures that the tools are used in tandem to achieve the outcomes that align with the vision expressed by all community stakeholders. Enacting the ETOD policy plan is critical for guaranteeing Project Connect success, while ensuring that our communities continue to thrive.

If you should have any questions, I can be reached at bc-awais.azhar@austintexas.gov.

Date of Approval: November 10, 2022

Record of the vote: Approved on an 8-0-0 vote (Committee Members Almanza, Gorse, Hendricks, Lopez, and Taylor absent)

Attest:  , Project Connect Community Advisory Committee Chair