



AUSTIN EQUITY OVERLAY STUDY

FINAL PRESENTATION

February 10, 2026



AGENDA

01

SCOPE OVERVIEW

Primary Questions & Project Phases

02

REVIEW OF DELIVERABLES

Phase Overview

03

FINAL QUESTIONS

Project Closeout

01

SCOPE OVERVIEW

Primary Questions & Project Phases



PROJECT UNDERSTANDING

The City of Austin approved a HOME Phase 2 Ordinance that would permit, among other entitlements, the ability to build up to three single-family units on what would historically be one single-family lot. The City would like to “study the feasibility, merits, and risks of applying an equity/anti-displacement overlay and the impacts that such an overlay could have on affordability, displacement, and property values. The focus of the equity overlay would be to mitigate speculation and displacement in areas most affected by gentrification.



45 YEARS OF APD URBAN PLANNING AND MANAGEMENT



Our deep understanding of the policy and regulatory issues related to community development financing, combined with our experience as planners and real estate developers, gives us a unique perspective on how sustainable housing and economic development influence neighborhood growth and expand housing options.

Our firm is widely recognized for its expertise in analyzing neighborhoods' historical life cycles, identifying disinvestment patterns, and designing comprehensive reinvestment strategies that include long-time residents and community stakeholders.

PRIMARY QUESTIONS

01

Based on existing data and analysis, **what neighborhoods are at risk**, or have the most potential to be at risk, without some form of Equity Overlay “companion” to the HOME Ordinance geographic expansion?



*Displacement
Risk Analysis*

02

What are the **community concerns** within the neighborhood areas determined to be most at risk of displacement regarding **affordability, displacement, and property values** as they relate to the HOME Ordinance?



*Community
Feedback*

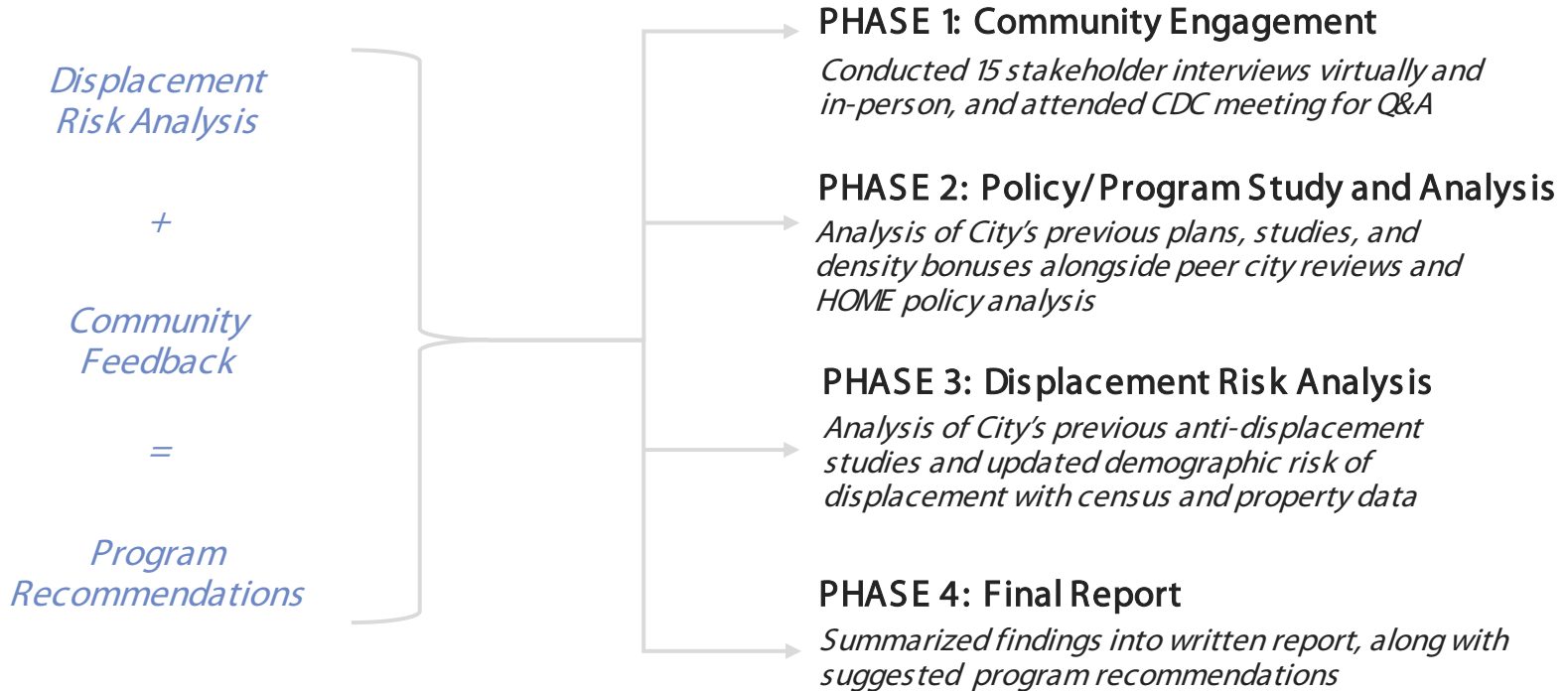
03

What **policies and programs** could be put in place to **address community concerns** while at the same time **supporting the goals** and objective of the HOME Ordinance?



*Program
Recommendations*

PROJECT PHASES



02

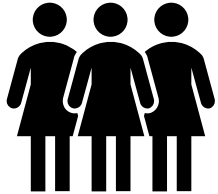
REVIEW OF DELIVERABLES

Phase Overview

PHASE 1: COMMUNITY ENGAGEMENT

15

Stakeholder interviews



Eastern Crescent
Community Tour

Housing Affordability

- Impact on marginalized/low-income communities
- Limited housing options for <30% MFI
- Development cost barriers

Displacement

- Historical concerns with Austin's development
- Displacement as result of HOME cost barriers
- Displacement of middle-income households

Community Engagement

- Authentic community engagement
- HOME disproportionately affecting those who feel SpeakUpAustin is inaccessible
- Lack of transparency in engagement process

Housing Production

- Class and race divides still prevalent
- Not receiving HOME P1 and P2 as tools for housing production
- Opportunity for younger generation to enter housing market

PHASE 2: POLICY/PROGRAM STUDY AND ANALYSIS

4 P's Anti-Displacement Conceptual Framework

Plan

- Analyze existing patterns, anticipate displacement pressures, prepare and revise anti-displacement measures and strategies

Protect

- Enhance the housing stability of existing residents by giving them more freedom and time to make the choice to stay or move

Preserve

- Preserve existing subsidized and older market-affordable housing units and reduce the likelihood they exit the affordable housing stock

Produce

- Produce dedicated affordable housing units in changing neighborhoods through new construction or acquisition or rehabilitation of existing properties

Source: [Local Housing Solutions Lab](#)

PHASE 2: POLICY/PROGRAM STUDY AND ANALYSIS

Seattle, Washington

- Developed comprehensive list of **displacement risk indicators** for regional tracking
- Released **recommendations for incorporating anti-displacement strategies** into major comp. plan updates

San José, California

- San José Citywide Residential Anti-Displacement Strategy outlines **10 recommendations and actions to prevent and mitigate displacement**, including Tenant Preferences Program
- **Extensive community engagement and local research identifying gaps** in existing policy, past discriminatory practices, and ongoing policy developments

Columbia Heights, Washington, D.C.

- Columbia Heights neighborhood able to **restrict over 20% of its housing units for low-income renters and preserve affordable housing** in the face of rapidly rising housing costs and gentrification
- Incorporated **displacement mitigation strategies into early redevelopment plans**

Portland, Oregon

- Residential Infill Project's success at **increasing the production of middle-housing units at lower price points** has created more affordable homeownership options
- City's updates to comprehensive plan brought City and community together to **find anti-displacement strategies, assessing the effects of land use planning and gentrification on Portland's vulnerable communities**

Toronto, Ontario

- Toronto City Council **adopted Official Plan Amendment and Zoning By-Law Amendment to permit multiplexes citywide** to provide more housing choices for residents

Atlanta, Georgia

- Organizations spearheading initiatives to **preserve and expand affordable housing through designing, financing, and building ADUs** on homeowners' lots
- Backyard ATL initiative **developing ADUs at 60% to 80% AMI to meet needs of low-to-moderate income communities.**

PHASE 2: POLICY/PROGRAM STUDY AND ANALYSIS

Timeline

Plans and Studies	•	2012	Imagine Austin Comprehensive Plan
	•	2017	Strategic Housing Blueprint
	•	2018	Strategic Housing Implementation Plan
			Uprooted
			The People's Plan
	•	2019	Strategic Mobility Plan
	•	2021	Austin Climate Equity Plan
	•	2023	Austin Strategic Direction 2023
			Equitable Transit-Oriented Development Policy Plan
			Equity-Based Preservation Plan
•	2025	Comprehensive Analysis of Density Bonus Programs	

Location-based plans and HOME-specific studies (Affordability Impact Analysis and Heyman HOME Report not listed)

ADDITIONAL DOCUMENTS

Plans & Implementation Tools

Imagine Austin Comprehensive Plan
 Tenant Notification and Relocation Ordinance
 Strategic Housing Blueprint
 Strategic Mobility Plan
 Affordability Unlocked Density Bonus
 Project Connect Anti-Displacement Programming
 Austin Climate Equity Plan
 Equitable Transit Oriented Development Policy Plan
HOME Phase 1 & Affordability Impact Statement
 Austin Strategic Direction 2023
 DB90 Density Bonus
 Equitable Transit Oriented Development Overlay Phase 1
HOME Phase 2
 Equity Based Preservation Plan
 Short-Term Rentals and Preservation Bonus Amendments

<i>Year</i>	<i>Housing Production</i>	<i>Density</i>	<i>Affordability</i>	<i>Displacement</i>
2012	Dark Blue	Light Blue	Light Blue	White
2016	White	White	Yellow	Yellow
2017	Dark Blue	Light Blue	Light Blue	White
2019	White	Dark Blue	Light Blue	Light Blue
2019	Yellow	Yellow	Yellow	White
2020	White	White	Yellow	Yellow
2021	Light Blue	Light Blue	Dark Blue	Light Blue
2023	Light Blue	Light Blue	Dark Blue	Light Blue
2023	Yellow	Yellow	White	White
2023	White	White	Dark Blue	Light Blue
2024	Yellow	Yellow	Yellow	White
2024	Yellow	Yellow	Yellow	Yellow
2024	Yellow	Yellow	White	White
2024	Light Blue	Light Blue	Light Blue	Dark Blue
2025	Yellow	Yellow	Yellow	White

PHASE 2: POLICY/PROGRAM STUDY AND ANALYSIS

Key Takeaways

- Since Austin's Comprehensive Plan adoption in 2012, the city has encouraged the **development of mixed-use, transit-oriented communities, the use of green infrastructure, and innovative housing solutions.**
- The City looks to **balance preservation of neighborhood character with economic growth while ensuring equitable access** to resources and services.
- The City's goals around affordable housing development, green infrastructure, and increased mobility have shaped recent policy decisions, and many of those policies aim to treat Austin's communities more equitably, though **communities may not have felt the intended impacts of these policies.**
- **Implementation of programs or strategies connected to the HOME Ordinance should look to fill gaps in current policy and build upon recommendations aligned with community input and City's equitable intentions.**

PHASE 3: DISPLACEMENT RISK ANALYSIS

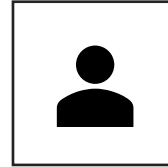
American Community Survey, 5 Year Estimates (2019-2023)

Demographic Profile



967,862

Population



34.5

Median Age



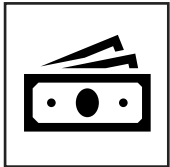
440,294

Households



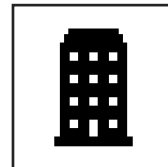
2.14

Average Household Size



\$91,461

Median Household Income



56%

Renters

PHASE 3: DISPLACEMENT RISK ANALYSIS

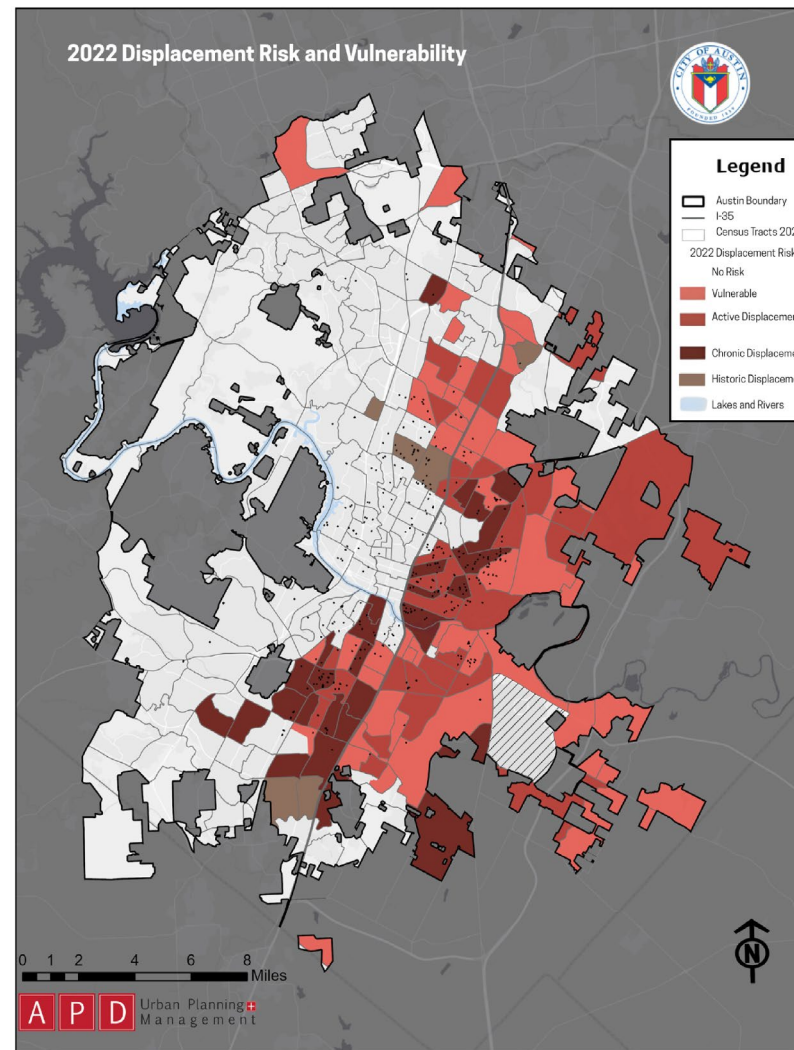
Displacement Risk Analysis

To quantify displacement risk over time (2016 to 2022), a scale of 1 to 3 was used, and a new displacement risk typology was created for this study to allow for a more streamlined trend analysis.

Vulnerable - areas where at-risk populations remain but demographic change has not yet occurred;

Active Risk - communities experiencing ongoing population turnover; and

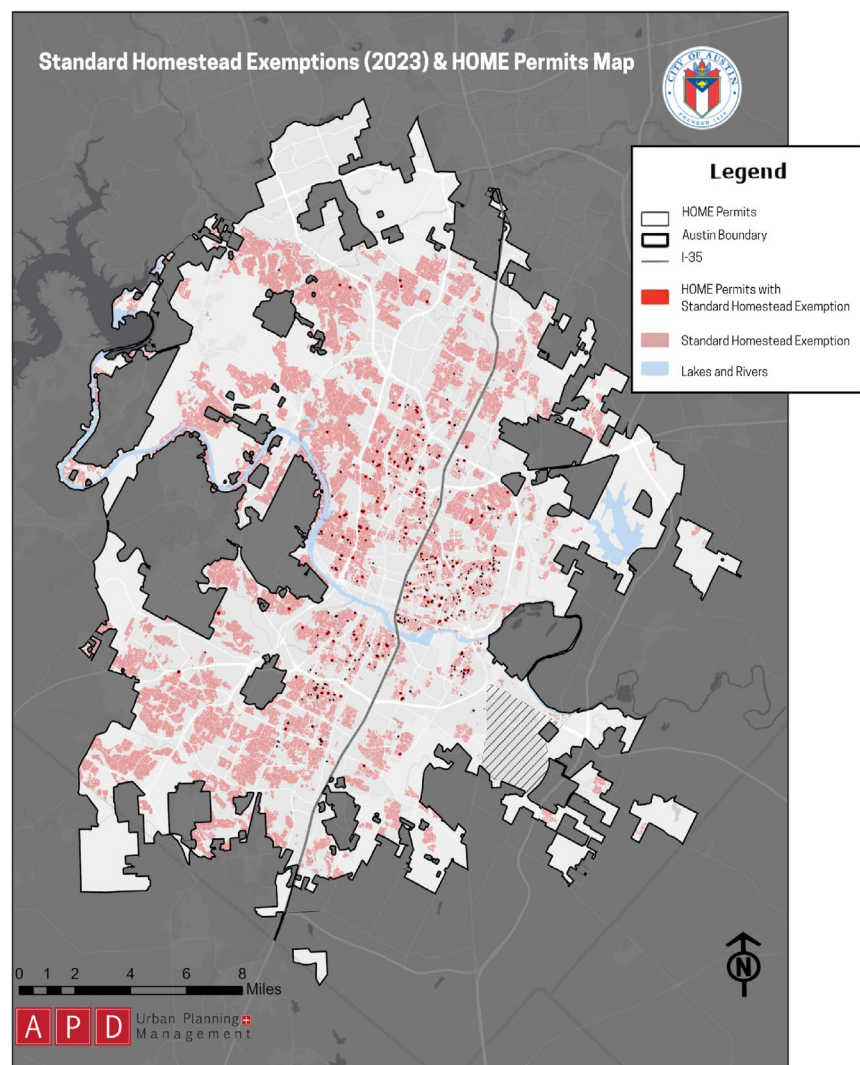
Chronic Risk - areas where displacement has already taken place.



PHASE 3: DISPLACEMENT RISK ANALYSIS

H.O.M.E. Permits and Exemptions Analysis

- *H.O.M.E. permits are more frequent in lower-value submarkets (generally east of I-35)*
- *Analysis of Jan-Jun 2024 Permit data indicates that only 31% of the 223 approved H.O.M.E. permitted properties had homestead exemptions.*
- *Approximately 70% of H.O.M.E. permits on properties without homestead exemptions show development indicators, mostly concentrated east of downtown, in primarily Active Displacement Risk census tracts.*



PHASE 3: DISPLACEMENT RISK ANALYSIS

Key Takeaways

Displacement Risk Analysis

- A more streamlined displacement risk typology was created to consistently measure displacement trends in the City from 2016 to 2023.
- The significant and rapid change in Austin's demographic makeup required a deeper dive into the unintended consequences of unchecked market pressures.
- H.O.M.E. permits are more common in lower-value submarkets and less common in higher-value submarkets, likely because deed restrictions are fewer in lower-value submarkets or development costs are higher in higher-value submarkets.
- Analysis indicates current H.O.M.E. program is most beneficial to two distinct groups:
 - Homeowners with sufficient resources and fewer restrictions, and
 - Developers focused on lower-value properties

PHASE 4: FINAL REPORT

Program Recommendations

1. **Implement anti-displacement strategies** to protect vulnerable and existing residents in communities facing gentrification, specifically renters and those in existing affordable housing.
2. **Create inclusive opportunities** for low-to-moderate income and legacy homeowners to take advantage of HOME through increased access to capital.
3. **Alleviate cost barriers** for high-income homeowners to access HOME through simplified permitting processes and legal assistance for HOAs and deed restrictions.
4. **Activate non-profit development opportunities** for low-to-moderate income and legacy homeowners navigate the technicalities and implementation of H.O.M.E.
5. **Establish a Community Quarterback Model** to provide a wide range of services, including legal aid services, to assist vulnerable residents and small businesses facing displacement pressures.
6. **Conduct an outreach and education campaign on H.O.M.E.** as a housing production tool to clarify how homeowners can benefit from H.O.M.E. as a source of income and a means to retain community ties.

PHASE 4: FINAL REPORT

Conclusion

- For a more equitable approach, implementation of the combination of the recommended strategies would prevent displacement pressures from migrating to less protected areas.
- Incorporation of real time local data into City monitoring and tracking systems would allow for continuous risk mitigation and quicker policy recalibration when needed.
- By pairing the H.O.M.E. Ordinance with the strategies recommended in this study, grounded in data, community voice, and enforceable protections, the City of Austin can transform a zoning reform into a true equity initiative, that aligns with the City's long-term vision for inclusive prosperity.

Staff Recommendations

Staff Recommendations



Staff recommend that the City of Austin consider:

- Continue to **utilize Community Land Trust** to develop affordable units
- **Creating additional Homestead Preservation Districts** where property tax increases are restricted to help preserve affordable homeownership and prevent involuntary loss of homesteads for low-income households
- **Expanding educational programs and information** to include legal, financial and housing information regarding HOME and its uses via outreach and educational campaigns or creation of Community Quarterbacks
- **Developing non-profit and community-based partnerships** to assist with bridging the gap between technical policy and household-level execution of HOME developments

03

QUESTIONS / ANSWERS



THANK YOU!

