

Section 7.3

ACTION PLAN REPORTS

PROGRAMS/POLICY INITIATIVES FOR FISCAL YEAR 2009-10

The City of Austin continues to seek innovative initiatives and refine avenues to meet its mission to provide housing, community development, and economic development services to benefit eligible residents and businesses to increase their opportunities for self-sufficiency. The following is an update on programs and policy initiatives for the City of Austin Neighborhood Housing and Community Development Office for fiscal year 2009-10.

Policy Initiatives

Transit Oriented Development

In 2005, the Austin City Council adopted the Transit-Oriented Development (TOD) Ordinance, establishing station areas for a commuter rail line scheduled to begin service in 2009. The ordinance set affordable housing goals for new development or redevelopment in the half-mile areas surrounding the commuter rail stations. In late 2008 and early 2009, Council adopted three station area plans that specify the goals set forth in the original ordinance. The overall goal is for 25 percent of all new housing units in the TOD areas to be occupied by households at 80 percent or below of MFI for homeownership units or at 60 percent or below of MFI for rental units. Other sub-goals also apply, including a goal to serve lower income levels within the Community Preservation and Revitalization Zone (CP&R), also established by the Austin City Council in 2005.

The TOD ordinance states that for each TOD area, a station-area plan will establish specific standards and include a housing affordability analysis and feasibility review that describes the potential strategies for achieving affordable housing goals. NHCD engaged Diana McIver & Associates to produce a housing affordability analysis and feasibility study for these sites.

Austin City Council has adopted the following three station area plans that may experience development in fiscal year 2009-10:

1) *Saltillo Station Area Plan*

The Saltillo TOD district is located close to downtown Austin, between IH-35 and Chicon Street and along the future commuter rail line. The City anticipates that significant development will occur along this important East Austin corridor. The integration of new developments with the existing neighborhood and other revitalization efforts will be critical to ensuring its ultimate success. The Capital Metro Transportation Authority, the largest landowner in this corridor, will be an important stakeholder in future decisions for this area.

2) *Martin Luther King, Jr. (MLK) Station Area Plan*

The MLK TOD district is located adjacent to Martin Luther King, Jr. Boulevard, east of downtown and along the future commuter rail line, in an area where

significant reinvestment has occurred in recent years. The area includes significant amounts of vacant land formerly used for light industrial purposes with redevelopment potential. However, the affordable housing analysis for this area states that, due to high land prices and a lack of publicly-owned properties in the area, the TOD affordable housing goals will be challenging to achieve.

3) *Lamar/Justin Station Area Plan*

The Lamar/Justin Station Area is located at the intersection of Justin Lane, Airport Blvd. and N. Lamar Blvd. in the Crestview, Brentwood, and Highland neighborhoods. Austin Energy is a landowner of a property at Lamar/Airport that provides a possibility to meet the city's goals for the station area, including housing affordability.

North Burnet/Gateway

The North Burnet/Gateway (NBG) Master Plan presents a long-term vision for 2,300 acres in north-central Austin to redevelop the existing low-density, auto-oriented commercial and industrial uses into a higher density mixed-use neighborhood that is more pedestrian-friendly and takes advantage of the links to commuter rail transit. In March 2009, Austin City Council approved rezonings for properties in the NBG Master Plan area that included an affordable housing density bonus. To receive a density bonus, the developer must provide 10 percent of the bonus area granted as affordable housing or pay a fee-in-lieu of six dollars per square foot. A few specific properties may be eligible to construct new collector streets in exchange for the density bonus, instead of meeting the affordable housing requirements.

Vertical Mixed-Use (VMU)

In 2007, Austin City Council adopted changes to the "Commercial Design Standards" regarding Vertical Mixed Use. Developers who want exemptions from certain dimensional and parking standards must provide 10 percent of the units as affordable housing for 40 years.

Preservation of Affordable Housing

In April 2008, NHCD issued the report, *Preserving Affordable Housing in Austin, A Platform for Action* in order to proactively address the loss of affordable housing stock in the community. The report encompasses feedback from five focus groups with more than 50 participants, industry experts, and the Community Development Commission.

NHCD will further explore next steps for preservation of affordable housing stock in FY 2009-10 with a quantitative analysis of the characteristics of privately-owned affordable housing. The qualitative research will include interviews and focus groups with property owners, apartment associations, and other industry representatives to determine the needs and willingness of property owners to preserve housing as affordable. The final results will include specific recommendations for next steps.

A copy of the *Preserving Affordable Housing in Austin, A Platform for Action* can be found at: www.cityofaustin.org/housing/downloads/2008_preservation_study.pdf.

The report highlights the following critical facts regarding affordability in Austin:

- *Subsidized units are at risk.* Austin has almost 1,350 of Project-Based Section 8 units with mortgages that will expire by 2011, with about 73 percent expiring in 2010. In addition, developments financed with federal housing tax credits and elderly/disabled grants will begin to expire in a decade.
- *Most of Austin affordable housing is privately-owned and not subsidized.* Austin has more than 156,000 multifamily housing units. Less than 8,000 are publicly subsidized and 79 percent (123,678) are in small complexes with 2 to 49 units.
- *Most of multifamily stock is old but occupied.* More than 55 percent of duplexes and 79 percent of small and medium-sized apartment buildings were built before 1980. Of these, 22 percent of apartments are more than 20 years old and have high-occupancy rates.
- *Redevelopment is underway.* From 1995-2007, there was a 30 percent increase in the number of multifamily units built. More than 2,000 rental units were converted to condominiums in 2007 and 2008.
- *Collecting data on housing inventory posed a significant challenge.* Data regarding the condition of Austin's housing units is largely unavailable. In addition, reliable data sources have conflicting unit counts for subsidized properties.

Shared Equity

The City of Austin, through the Austin Housing Finance Corporation (AHFC), uses the shared equity model to preserve affordable housing. The Shared Equity program allows income-eligible buyers and homeowners to obtain substantial mortgage assistance and housing reconstruction services in exchange for two provisions that preserve housing affordability in Austin:

1. A "Right of First Refusal" allows AHFC the first option to buy the home at resale for the appraised value.
2. Homeowners are required to share the proportional amount of appreciation realized at resale with AHFC.

That amount is then returned to the AHFC to allow another low- to-moderate-income buyer to purchase the home.

Community Land Trust

Austin City Council directed staff to move forward with implementation of a Community Land Trust (CLT) in summer 2005. The CLT is a tool to preserve the public investment in affordability and to preserve the affordable units in perpetuity. The CLT will retain ownership of the land, while the homeowner owns the improvements. The CLT limits the sales price of the home and requires that subsequent buyers be income-eligible. Homeownership is an important avenue of wealth creation for many low-income households. CLT homeowners will receive a share of the appreciation when the affordable unit changes hands in order to allow the homeowner a fair return. This model provides an opportunity for future low- to moderate-income households to buy the home at an affordable price.

Without this type of mechanism in areas that are rapidly gentrifying, the subsidy given to a low-income household is lost to future residents when the house is sold. In addition, the CLT will allow AHFC to reach deeper levels of affordability for lower-income homeowners.

Programs

Home Repair Program

During the public input process for the Consolidated Plan, the need for additional home rehabilitation and repair was identified by the public. HousingWorks and a collaboration of more than 30 local housing rehabilitation and repair providers and area nonprofits including the Austin Area Urban League, Austin Habitat for Humanity and the Austin Interreligious Ministries, have organized to discuss the collective rehabilitation needs of low- and moderate-income homeowners. The City of Austin worked with stakeholders in the summer of 2009 to explore the use of General Obligation Bond funds made available for a program responsive to community input. The program will begin in fiscal year 2009-10.

Federal Stimulus programs

The City anticipates receiving up to \$7.5 million in stimulus funds, in response to applications submitted to HUD and the Texas Department of Housing and Community Affairs (TDHCA). These funds are one-time grants released by the federal government for the purpose of stimulating the economy during the current recession and addressing home foreclosures at the local level. The applications for Stimulus funds include:

- A \$2 million application for the Community Development Block Grant (CDBG-R) Program submitted to HUD in May 2009.
- A \$3.1 million application for the Homeless Prevention and Rapid Re-Housing (HPRP) Program submitted to HUD in May 2009;
- A \$1.3 million application for Housing and Economic Recovery Act (HERA) submitted to TDHCA in April 2009.

In May 2009, the City of Austin applied for the Community Development Block Grant (CDBG) and Homeless Prevention & Rapid Re-Housing Program (HPRP) funds made available from the American Recovery and Reinvestment Act of 2009. The City amended the fiscal year 2004-09 Consolidated Plan and fiscal year 2008-09 Action Plan in order to receive these funds from the U.S. Department of Housing and Urban Development (HUD). The City of Austin held a public hearing to receive citizen comments on the substantial amendment at the Austin City Council meeting on Thursday, April 23, 2009. In addition, public comments on the substantial amendment were received from April 20, 2009, through May 1, 2009, and again from May 8, 2009, through May 15, 2009.

The ARRA public input process for stimulus funds was separate from the Consolidated Plan and required a needs assessment process identified in the Substantial Amendment guidelines. The guidelines required a public participation with online and written comments as well as a public hearing with the Austin City Council. The City's public input process met Federal requirements. ARRA awards reflect HUD stimulus guidelines and local initiatives.

Reporting of Stimulus Funds

Stimulus funds will be reported on separately in the Consolidated Plan, Action Plans, and in future Consolidated Annual Performance and Evaluation Reports (CAPER). To assist with transparency and efficient access to information by the public, the City of Austin has created a stimulus website related to HUD ARRA at www.cityofaustin.org/housing. This website will be updated regularly to reflect activity related to stimulus funds.

American Recovery and Reinvestment Act (ARRA) Funding

Community Development Block Grants (CDBG-R) (\$2 million)

Local criteria for award is based on three major criteria: (1) sustainable, well-financed, established efforts; (2) yield significant results for the community; and (3) tangible results for the residents, especially low- to moderate-income populations and neighborhoods. CDBG-R guidelines issued May 5, 2009, set clear overall priorities to maximize job creation and economic benefit. Specific criteria includes:

- 70 percent of the funding is to benefit low- to moderate-income residents;
- creating/preserving jobs and promoting economic recovery;
- assisting those most impacted by the recession;
- providing investment to promote economic efficiency;
- transportation, environmental protection or other infrastructure that provides long-term economic benefits;
- energy efficiency/independence;
- minimizing/avoiding reductions in essential services;
- efforts begin swiftly (“shovel ready”); and
- discrete, stand-alone activities.

Using the Federal and local criteria developed as part of the City of Austin Stimulus Program, Austin City Council awarded the \$2 million in CDBG-R funds, as follows:

- \$500,000 for Lifeworks’ East Austin Youth and Family Resource Center to purchase land to construct a green-building Resource Center to expand critical workforce, education and mental health services to low-income populations. Significant leverage is included with corporate, public and nonprofit partners, including Capital Idea, Central Texas Literacy Coalition, Austin Community College and Casey Family Programs. The project has secured the majority of funding, and meets job creation and long-term economic development needs.
- \$500,000 for PeopleFund’s Center for Economic Opportunity will be LEED Silver certified and provide comprehensive services for local businesses and homebuyers as well as affordable office space for local businesses. Key criteria met are job creation/preservation, long-term economic development, and sustainable operations as most project financing has been secured.
- \$550,000 for African-American Cultural and Heritage Facility, located at 912 E. 11th Street in the historic Hamilton-Dietrich House, will house ProArts Collective, a Visitors Bureau, and the Capital City Chamber of Commerce. Providing arts and assistance for small businesses while educating visitors on the cultural richness of the area is a community and Council priority project, with

\$1.5 million included in the 2006 Bond election. Key criteria to be met are job creation/preservation and long-term economic development.

- \$250,000 to fund critical sidewalks in central East Austin. Many of the “Top 25” sidewalks on Public Works’ list developed with community input are in historically disadvantaged neighborhoods of central East Austin. This funding will allow new sidewalks in key areas to be completed. Sidewalks are an essential component of public transit, which is used primarily by low- to moderate-income Austin residents and also will enhance the lifestyles of thousands of residents and visitors and business environment while ensuring the safety of pedestrians and people with disabilities.
- \$200,000 for administration of CDBG-R.

Homeless Prevention & Rapid Re-housing Program (HPRP) (\$3.1 million)

The Homeless Prevention and Rapid Re-housing Program, which will be administered by the HHSD, has three primary goals:

1. Prevention: Prevent people from becoming homeless whenever possible;
2. Diversion: Intervene when people enter shelters and divert them into housing;
3. Rapid Re-Housing: Move people who become homeless into permanent housing as quickly as possible.

The Austin City Council approved funding as follows:

- \$480,000 for HPRP Specialists - To identify, assess and qualify potential clients and to expand outreach to key eligible populations (To be competitively bid);
- \$240,000 for Housing Locators/Inspectors - To identify and inspect available housing; negotiate with landlords; liason between landlords and potential eligible tenants; and follow-up point of contact for landlords and tenants (to be provided by Caritas);
- \$120,000 for Mediation/Legal Services - To expand current tenant/landlord mediation services and to provide services to all HPRP clients (To be provided by Austin Tenants’ Council);
- \$1,970,000 for Rent & Utilities and Other Direct Financial Assistance - To provide short or medium term rent assistance to prevent homelessness or to re-house homeless households; replacement of identification, moving expenses, credit reports/credit repair, immediate legal assistance (Fiscal agent to be competitively bid.);
- \$102,000 for Homeless Management Information System;
- \$153,000 for Administration.

These services will be provided by agencies currently under contract with the City and/or new agencies that respond to request for proposals. The funding must be obligated by September 30, 2009.

Housing and Economic Recovery Act (HERA) Funding

The City of Austin applied for Neighborhood Stabilization Program (NSP) funds established by the Housing and Economic Recovery Act (HERA) of 2008 with the goal of creating permanent affordability rental opportunities. These federal funds are being distributed by the Texas Department of Housing and Community Affairs (TDHCA). Austin coordinated

with Travis County regarding available funds to the area. On July 16, 2009, the TDHCA Board of Director's awarded the City of Austin \$2,478,305 in NSP funds. The fiscal year 2009-10 Action Plan approved by the Austin City Council on July 23, 2009, included \$1,260,538 of NSP funds, which is reflected in Exhibit 1-1. NHCD will submit a budget amendment to accept an additional \$1,217,767 in NSP funds. The program funds, in the amount of \$2,478,305, will be used to purchase foreclosed homes and the NSP funds will be leveraged with General Obligation Bond funds to perform rehabilitation or renovation services.

The City of Austin's application proposes that after renovation the homes will be transferred to local non-profit organizations that will lease them to residents at or below 50 percent of MFI. The program initially targets zip code 78744 (Southeast Austin) and zip code 78758 (Northwest Austin), two areas in Austin that have seen the highest number of foreclosures. The City of Austin estimates it will be able to purchase 16 homes with the NSP funds.

COMMUNITY INVOLVEMENT

The Neighborhood Housing and Community Development Office coordinates and maintains relationships with neighborhood groups, policy groups, and service providers in low- to moderate-income communities in order to reach its agency goals. NHCD anticipates participating with the following organizations/initiatives in fiscal year 2009-10:

Community Development Commission

The Community Development Commission's (CDC) role is to "advise the City Council in the development and implementation of programs designed to serve the poor and community at large with an emphasis on federally funded programs." Through the Citizens Participation Plan, the CDC is charged with securing broad community involvement in policy discussions about community needs that benefit low- to moderate-income households and to make recommendations to the City Council on the allocation of federal funds, including CDBG and HOME. The CDC also acts as the oversight entity for state and federal requirements related to the Community Services Block Grant (CSBG).

Community Action Network

CAN is a public/private partnership of 15 major community organizations that works to achieve sustainable social, health, educational, and economic outcomes for Austin and Travis County. There are several issue area groups that meet under the Community Action Network (CAN). These groups are: Youth Services, Victim Services, Workforce Development, Aging Services, Basic Needs, Early Education and Care, Education, Homelessness, Housing, Mental Retardation/Developmental Disabilities, Public Safety, Wellness, Physical Health, Adult Mental Health and Substance Abuse, and Children's Mental Health. NHCD has representatives on the Administrative Team and Resource Council and has been the lead agency in producing the Frequently Asked Questions (FAQ) for the housing issue area.

Community Action Network: ECHO

Two community groups that address homeless issues, the Ending Chronic Homelessness Organizing Committee and the Homeless Task Force, merged in fiscal year 2006-07 to form the Ending Community Homelessness Coalition (ECHO). The new ECHO actively engages in ending community homelessness through collaborative planning with more than 90 community volunteers, business leaders, service providers, and City staff support. Together, social service organizations form a continuum of services that range from preventing homelessness to assisting people who are in homeless situations to obtain permanent housing and achieve independent living. ECHO's Planning and Evaluation Subcommittee is the primary planning body for the annual Continuum of Care application to HUD.

Urban Renewal Board

The City partners with the Urban Renewal Agency (URA) to implement the revitalization efforts along the East 11th and 12th Street corridors. On November 19, 1997, the City Council adopted a resolution declaring the East 11th and 12th Streets Revitalization Area to be a slum and blighted area and designated this area appropriate for an urban renewal project. Subsequently, the Austin City Council approved an Urban Renewal Plan. The City provides funds to the URA for acquisition and to provide fair and adequate relocation

benefits to individuals displaced due to acquisition, disposition activities and aiding in the elimination of the slum and blight influences in the area. The Urban Renewal Board, which oversees the Urban Renewal Agency functions, consists of seven members appointed by the Mayor. NHCD provides staff support to the Urban Renewal Board.

African American Resource Advisory Commission

NHCD works with members on the African American Resource Advisory Commission to target outreach and marketing efforts for NHCD programs and services to the African American community. The commission advises the City council on issues relating to the quality of life for the City's African American community and recommends programs designed to alleviate any inequities that may confront African Americans in social, economic and vocational pursuits, including; health care; housing, including affordable housing, home ownership and homelessness; entertainment opportunities for professionals and students; employment; and cultural venues, including museums, theaters, art galleries and music venues. Coordination with this commission will be valuable during the development of the African American Resource Center.

Public Housing Authorities

Representatives from the Housing Authority of Travis County, the Housing Authority of the City of Austin, and the City of Austin meet regularly to coordinate programs, such as the Tenant-Based Rental Assistance program, the Resident Support Services programs at HACA, and other community initiatives. NHCD coordinates with HACA to inform public housing residents of affordable housing programs offered through the City of Austin.

City Planning and Policy Initiatives

NHCD staff actively participates in City planning processes and task forces that impact affordable housing. NHCD provides technical assistance to the following:

Downtown Austin Plan

In December 2005, the Austin City Council adopted a resolution directing the City Manager to initiate the process of creating a Downtown Master Plan. The City of Austin has hired two consulting firms for the plan: the ROMA Design Group, and Diana McIver & Associates. The firms have identified strategies and best practices for affordable housing in downtown that are under consideration as part of the Downtown Master Planning process. The City has also hired the ROMA Design Group to develop recommendations for a downtown density bonus program with an affordable housing requirement that will include a fee-in-lieu of option. For more information, visit: <http://www.cityofaustin.org/downtown>.

Comprehensive Plan

In September 2008, City Council appropriated funding for staff and a consultant to work with the public to create a new Comprehensive Plan for Austin. The City chose a consultant for the Comprehensive Plan, Wallace Roberts & Todd, through a public input process. The public kickoff of the Comprehensive Plan is expected to take place in fall 2009. The City Charter requires that a comprehensive plan be adopted by ordinance and specifies that it contain ten chartered-mandated elements, of which housing is one element. NHCD will work with the Neighborhood Planning and Zoning Department to provide housing

affordability information and data to contribute to the development of the plan. For more information, visit: http://www.cityofaustin.org/zoning/com_plan.htm.

East Riverside Corridor Master Plan Development

East Riverside Drive is a highly traveled roadway located a few minutes from downtown Austin. In addition to being a primary route to and from the Austin Bergstrom International Airport, it is an important commercial corridor to the diverse group of residents living in proximity to the roadway. Much of East Riverside Drive, in particular west of Pleasant Valley Road, epitomizes the car-dominated environment that is typical of much of the modern American landscape. However, pedestrian activity along East Riverside Drive is much heavier than average. Many residents rely on public transportation and walk to and from local services, bus stops, and existing retail establishments

The Master Plan will provide land use and urban design recommendations to improve the character and function of the environment along the East Riverside Corridor. The plan will include transportation recommendations and identify infrastructure improvements that may be required to implement the plan.

Families and Children Task Force

In June 2007, the City Council appointed the Families and Children Task Force to make recommendations to improve the quality of life for families with children in Austin. In March 2009, the Austin City Council, the Travis County Commissioners Court, and the Austin Independent School District Board of Trustees approved a Joint Resolution Regarding Families, Children, Neighborhoods and Schools. One of the recommendations included developing a Housing Assistance Program to reduce student mobility rates. For more information, visit www.cityofaustin.org/council/fctf.htm.

Live Music Task Force

The Live Music Task Force was created by the City Council to address current issues, developments and challenges confronting Austin's musicians and music community. NHCD supported the Live Music Task Force by providing information on the City's housing and community development initiatives available to musicians and those who work in the music industry.

Waller Creek

NHCD participates in the technical advisory group for the Waller Creek District Master Plan. The City is in the final stages of design of a tunnel to control flooding around Waller Creek that will allow development of land previously in the creek's 100-year floodplain.

NHCD Planning and Policy Partnerships

NHCD and its many partners work together on the preservation and creation of affordable housing as well as the promotions of public awareness of a number of key issues that impact Austin's low- to moderate-income residents.

HousingWorks

NHCD meets regularly with HousingWorks and collaborates to keep homes affordable in Austin through research, education and public policy change.

Community Housing Development Organization (CHDO) Roundtable

NHCD attends CHDO Roundtable meeting regularly and coordinates with the roundtable that includes representatives of non-profit affordable housing developers in Austin.

Create Austin

NHCD participates in the cultural planning process initiated by the City of Austin that will identify Austin's creative assets and challenges, define goals, and establish recommendations to invigorate Austin's "culture of creativity" to the year 2017.

Central East Austin Weed & Seed Initiative

NHCD participates in this community-based strategy sponsored by the U.S. Department of Justice (DOJ) to address crime prevention and community revitalization.

Texas Association of Local Housing Finance Agencies

NHCD has a presence on the Board of this statewide non-profit organization established in 1989 for the purpose of informing, planning and supporting the needs of local housing finance agencies in its delivery of affordable housing in the State of Texas.

Mayor's Mental Health Task Force Monitoring Committee

NHCD regularly attends the committee meetings that assist in the coordination of behavioral health planning needs in the community to fill mental health system gaps, promote accountability and maximize funding strategies.

Austin Mayor's Committee for People with Disabilities

NHCD regularly presents and coordinates with this committee who's mission is to carry on a program to encourage, assist and enable persons with disabilities to participate in the social and economic life of the City of Austin and achieve maximum personal independence; to become gainfully employed; and to enjoy fully and use all public and private facilities available within the community.

Community Development Commission (CDC)

NHCD staffs the CDC, a 15-member Council-appointed board that provides policy guidance to NHCD staff on programs and services offered by NHCD to assist low- to moderate-income residents.

Homestead Preservation District

NHCD is working with a number of community partners specifically targeted in the Homestead Preservation District (HPD) and other policy bodies to promote tools available in the HPD, including Community Land Trust.

Quality of Life Initiatives

NHCD participates in the Neighborhood Sustainability Committee of the African American Quality of Life Initiative as well as in the Hispanic Quality of Life Initiative.

NHCD PROJECTS BY NEIGHBORHOOD

The City of Austin has Acquisition and Development and Rental Housing Development Assistance projects planned in the following neighborhoods in fiscal year 2009-10. The projects and programs referenced below are not an all inclusive list of upcoming activities, but rather provide the public with a summary of activities expected or underway in each neighborhood or area. See Appendix IV for a map of adopted neighborhood planning areas.

The City of Austin will continue to focus much of its funding and programs in low-income neighborhoods of Austin identified by HUD as low/moderate-income priority neighborhoods. HUD defines CDBG qualifying areas as census tracts that have more than 51 percent of households living in poverty. For a map of these areas, see Appendix IV. The City, however, will not identify priority neighborhoods for exclusive or priority funding in the fiscal years 2009-14 Consolidated Plan. This does not mean that the City will not continue to fund projects and programs in past priority areas, but that the City will no longer give those neighborhoods priority for funding over other qualifying neighborhoods.

Central East Austin Neighborhood Planning Area

NHCD currently has projects in the following neighborhoods in the Central East Austin Neighborhood Planning Area:

Anderson Hill Neighborhood

AHFC is partnering with Anderson Community Development Corporation to develop 24 units of affordable rental housing on East 12th Street.

11th / 12th Streets Revitalization

This revitalization project, along the East 11th and 12th Street commercial corridors, makes physical improvements to the corridor, creates jobs for low-income people, and provides assistance to small businesses along the corridor. Revitalization efforts along the corridor began in 2000 by NHCD in partnership with the Austin Revitalization Authority (ARA). In 2008-09, NHCD released, on behalf of the Urban Renewal Agency, a request for proposal (RFP) to develop Block 16, of East 11th Street for a mixed-use development. A RFP will be released for Block 17 of East 11th Street in fiscal year 2009-10 for the development of a mixed-income housing project.

Guadalupe Neighborhood

Guadalupe Neighborhood Development Corporation (GNDC) will build an “alley flat” in collaboration with the University of Texas Center for Sustainable Design, Austin Center for Design and Development, and AHFC in fiscal year 2009-10. The alley flat is part of the Alley Flat Initiative that will provide alley flats that showcase both innovative design and the environmental sustainability features of the alley flats. These prototypes will demonstrate how sustainable housing can be affordable and adaptable and provide for more density in established neighborhoods. The alley flat will receive \$60,000 in GO Bonds funding and provide rental housing for a household at or below 30 percent of median family income. For more information, visit www.thealleyflatinitiative.org.

Blackshear Neighborhood

Blackshear Neighborhood Development Corporation (BNDC), in partnership with AHFC, will develop nine units of affordable rental housing for low-income families in the Blackshear neighborhood. Two of the units will be developed on land that was once City-owned surplus land. Two of the six units will serve families at 60 percent or below of MFI, six units will serve families at 50 percent or below of MFI, and one unit will serve a family at 30 percent or below of MFI.

Montopolis Neighborhood

The Montopolis neighborhood includes the site of the Frontier at Montana subdivision. Construction of new homes began in October of 2006. NHCD, through AHFC, is partnering with several non-profit housing builders to construct 81 homes that will provide homeownership opportunities for families at 80 percent or below of MFI. Austin Habitat for Humanity completed 30 single-family homes in Frontier at Montana. American Youthworks will construct five single-family homes in Frontier at Montana. AHFC completed 30 single-family homes, with five homes still for sale. The AHFC homes use a shared equity model along with a “right of first refusal” to preserve long-term affordability.

Robert Mueller Municipal Airport Redevelopment

The City provides assistance in the redevelopment of the former Robert Mueller Municipal Airport (RMMA). The master plan for the development requires 25 percent of the planned owner-occupied housing units be affordable to 80 percent or below of MFI and at least 25 percent of the rental housing be affordable for households to 60 percent or below of MFI. All affordable units must be S.M.A.R.T. Housing™ certified. RMMA has sold 133 affordable homes by David Weekley and Meritage, of which 63 are detached yard homes and 70 are attached row homes. Construction on the first market-rate rental housing at RMMA, Mosaic at Mueller, developed by Simmons Vedder, is underway. Forty-four units (ten percent of the 442-unit property) will be provided to households at or below 60 percent of MFI. In addition, Diana McIver & Associates was selected by RMMA to develop a senior apartment project of 210 units, of which 171 units will be affordable to households at or below 60 percent MFI and below. Of the affordable units, 60 will be reserved for households at or below 50 percent of MFI and 26 units will be reserved for households at or below of 30 percent MFI. For more information, visit Appendix V and www.muelleraustin.com.

Austin Children's Shelter

In addition to the affordable housing in the RMMA development, the Austin Children's Shelter, in partnership with the NHCD's Rental Housing Development Assistance program, will develop a 28-bed transitional housing facility for homeless children at the eastern edge of RMMA. The transitional cottages will serve as long-term temporary housing for children, 8 to 17 years of age, with specialized long-term needs due to having experienced acute physical and/or emotional trauma.

Pecan Springs/Springdale Neighborhood

Green Doors, formerly Community Partnership for the Homeless, in partnership with AHFC, will rehabilitate six four-plexes, using \$1.3 million in General Obligation Bond and HOME funds in the Pecan Springs/Springdale neighborhood. These units will provide

affordable rental housing for households at or below 50 percent of MFI and will assist households transitioning out of shelters.

St. John Neighborhood

The City, through AHFC, partners with Neighborhood Housing Services of Austin (NHSA) to provide affordable housing in the St. John neighborhood. In fiscal year 2009-10, NHSA will complete rehabilitation on the second of two single-family rental units in the neighborhood.

Govalle/Johnston Terrace Neighborhood

The Guadalupe Neighborhood Development Corporation (GNDC), in partnership with KRDB (Kramer-Robertson-Design-Build), will develop the Solutions Oriented Living (SOL) community in the Govalle/Johnston Terrace neighborhood. SOL will be a mixed-income development that will include affordable rental and homeownership opportunities. The SOL Community will consist of 38 units and is planned as a net-zero energy development. AHFC will invest a total of \$1.47 million with GNDC to buy eight new single-family rental units for low- to moderate-income households and to provide homebuyer assistance for another eight low- to moderate-income families purchasing new homes in the SOL Community. Two of the ownership units will likely use the Community Land Trust model, and the other affordable units will utilize shared equity strategies in order to preserve affordability in the neighborhood in perpetuity.

GNDC will also begin development of affordable housing in fiscal year 2009-10 at an 11-acre site just south of the Austin Community College's Eastview Campus in the Govalle/Johnston Terrace neighborhood. The development will have 90 units of affordable housing with 58 homeownership units and 32 rental units.

East Martin Luther King Jr. Boulevard Neighborhood Planning Area

The East Martin Luther King Jr. Boulevard planning area will be the site of new affordable housing opportunities on surplus city land and private lots deeded to AHFC. The Chestnut Neighborhood Revitalization Corporation will develop 21 affordable senior housing units in this neighborhood that will serve households at or below 50 percent of MFI. This project is expected to be complete in fiscal year 2009-10.

Crestview Neighborhood

Austin/Travis County Mental Health Mental Retardation (MHMR), in partnership with AHFC, will build a 37-bed transitional facility in Crestview. This facility will transition persons exiting psychiatric hospitalization into permanent housing. This transitional housing prevents households with no resources from falling into homelessness upon exiting hospitalization. Residents will receive case management and medical services to help ensure their success at transitioning back into society. The MHMR facility will receive \$2.3 million in GO Bond funding.

University Neighborhood Overlay/West Campus Neighborhood

In 2004, the Austin City Council adopted the University Neighborhood Overlay (UNO) that established housing affordability goals for new housing built in the West Campus neighborhood located adjacent to the University of Texas. All new housing developments

that receive incentives must provide at least 10 percent of new units to households at or below 80 percent of MFI for at least 15 years. West Campus builders must provide an additional 10 percent for households at or below 65 percent MFI or pay a fee-in-lieu. In UNO, 2,694 rental units have been built since 2004, with 289 of them affordable to 80 percent of MFI and below. Since inception, there have been almost \$1 million collected as a fee-in-lieu for the UNO program.

Sendero Hills

Habitat for Humanity of Austin, in partnership with AHFC, will use General Obligation housing bond funds to assist with the infrastructure development and construction of up to 65 homeownership units in the Sendero Hills neighborhood of East Austin. These homes will provide affordable homeownership opportunities in a mixed-income S.M.A.R.T.TM Housing community.

East Riverside/Oltorf Neighborhood

AHFC will partner with Kaplan Acquisitions LLC to provide affordable housing in a market rate rental property in the East Riverside/Oltorf neighborhood. The District at SoCo Apartments, a 215 unit rental development, will receive General Obligation housing bond financing to provide 22 rental units affordable to households at or below 50 percent of MFI for a 40-year period.

Zilker Neighborhood

In the Zilker neighborhood, at the former Stoneridge Apartments, AHFC will partner with a private developer to provide affordable rental units within a previously planned market rate project. The development will receive General Obligation housing bond financing to provide 30 units (10 percent of the development) that will be reserved for families at 50 percent or below of MFI for a 40-year period.

The Mary Lee Community, an affiliate of the Mary Lee Foundation, will demolish two aging apartment buildings with 22 rental units, and construct 64 new rental units at 1330 Lamar Square Drive. Half of the units will serve families with yearly incomes at or below 30 percent of the Austin area's median family income; the remainder will be affordable to families with yearly incomes at or below 50 percent MFI with four of those units affordable to families at or below 80 percent MFI. Founded in 1963, the Mary Lee Foundation works to improve the quality of life for persons with disabilities by providing housing, supportive services and specialized care.

HUD REPORT - OTHER ACTIONS

Federal regulations require that jurisdictions include in their annual plans discussion of how the community will use HUD grant funds in conjunction with other HUD monies and community resources to improve the lives of residents who earn low- to moderate-incomes. The federal requirements are below with a brief description of major initiatives underway or planned to begin in fiscal year 2009-10 to meet that directive:

Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Address obstacles to meet underserved needs.

Renters' Rights Assistance/Fair Housing Counseling

With the limited stock of affordable homes and apartments in Austin, the City continues its investment in the Austin Tenants' Council (ATC). ATC provides an array of counseling and enforcement services benefiting renters in Austin and is a recipient of HUD Fair Housing Initiatives program funds.

Developer Incentives Program

The City continues to explore incentives to encourage private developers to develop affordable housing. The first City of Austin developer incentive program was S.M.A.R.T. Housing™, a policy adopted by the Austin City Council in April 2000 that encourages the development of reasonably priced, mixed-income housing units that meet accessibility standards. The S.M.A.R.T. Housing™ ordinance ensures that new homes are Safe, Mixed-Income, Accessible, Reasonably Priced, and Transit-Oriented and meet the City's Green Building minimum-energy efficiency rating. In addition to S.M.A.R.T. Housing™, the City has created density bonus programs that offer developers incentives to create affordable housing in exchange for greater density and/or height bonuses. Some of these programs allow for a fee-in-lieu of development of affordable housing. Currently, this type of density bonus exists in the following districts/planning areas: University Neighborhood Overlay District, Transit Oriented Districts, North Burnet/Gateway, Downtown, Vertical Mixed-Use Areas, Planned Unit Development Areas, and Public Improvement Districts.

Ending Community Homelessness Coalition (ECHO)

ECHO actively engages in ending community homelessness through collaborative planning with more than 90 community volunteers, business leaders, service providers, and City staff support. Together, social service organizations form a continuum of services that range from preventing homelessness to assisting people who are in homeless situations to obtain permanent housing and achieve independent living. ECHO's Planning and Evaluation Subcommittee is the primary planning body for the annual Continuum of Care application to HUD.

Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Foster and maintain affordable housing.

Alternate Funding Sources

The City continues to explore opportunities to increase funding by finding new funding sources for the creation of affordable housing. NHCD's programs and services rely on local funding sources to deliver many of the activities responsive to community priorities. Council

approved the use of General Obligation Bonds to increase homeownership and rental opportunities for low- to moderate-income households. The bond package, which includes \$55 million for affordable housing, was approved by voters on November 7, 2006. Other alternate funding sources anticipated to be used in fiscal year 2009-10 include fee-in-lieu proceeds and revolving loan funds.

Affordability Impact Statement

As part of the S.M.A.R.T. Housing™ ordinance, staff prepares an Affordability Impact Statement (AIS) for all proposed city code amendments and other changes to identify any potential impacts on housing affordability. This analysis ensures that Council and the public are informed on an amendment's potential impact on housing affordability.

Community Land Trust

In 2005, Austin City Council directed staff to move forward with implementation of a Community Land Trust (CLT). The City plans to have the first CLT unit in Austin in fiscal year 2009-10 in the Solutions Oriented Living (SOL) development in the Johnston Terrace neighborhood. The CLT is a tool to preserve the public investment in affordability and to preserve the affordable units in perpetuity. The CLT will retain ownership of the land, while the homeowner owns the improvements. The CLT limits the sales price of the home and requires that subsequent buyers be income-eligible. Homeownership is an important avenue of wealth creation for many low-income households. CLT homeowners will receive a share of the appreciation when the affordable unit changes hands in order to allow the homeowner a fair return. This model provides opportunities for future low- to moderate-income households to buy homes at affordable prices.

Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Eliminate barriers to affordable housing.

Fair Housing

The City continues to support the Austin Tenants' Council (ATC) through its public services program. ATC provides an array of counseling and enforcement services for renters in Austin and is a recipient of HUD Fair Housing Initiatives program funds. The City has made fair housing a priority and continues to fund ATC in the fiscal year 2009-10 Action Plan.

Financial Education

The City began a housing counseling program, called Housing Smarts, in the fall of 2006 to provide homebuyer education and foreclosure prevention counseling to low- to moderate-income households in Austin. Housing Smarts also offers homeownership counseling in Spanish through an outside vendor.

Downtown Master Planning

In December 2005, the Austin City Council adopted a resolution directing the City Manager to initiate the process of creating a Downtown Austin Plan. The City of Austin hired two consulting firms for the plan: the ROMA Design Group and Diana McIver & Associates. The firms have identified strategies and best practices for affordable housing in downtown that are under construction as part of the Downtown Master Planning process. ROMA

Design Group is also tasked with developing recommendations for a downtown density bonus ordinance with an affordable housing requirement that will include a fee-in-lieu of option. For more information, visit [www.cityofaustin.org /downtown](http://www.cityofaustin.org/downtown).

Website Development

AHFC and NHCD have a website that provides increased access to homebuyer services, available through AHFC, as well as information regarding community and economic development opportunities and resources for low- and moderate-income persons seeking assistance with housing. For more information services offered by NHCD, visit www.cityofaustin.org/housing.

Housing Opportunities for Persons with AIDS Grant (HOPWA)

The program provides housing assistance for income-eligible persons with HIV/AIDS and their families. The goal of the program is to prevent homelessness and to support independent living among persons with HIV/AIDS ensuring clients will have improved access to primary medical care and other supportive services. The program requires that clients receive case management services in order to take part in the HOPWA program. Case managers consistently play a key role in assisting clients to tap into other housing resources, such as the Housing Choice Voucher (HCV) Program (formerly Section 8).

Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Overcome gaps in institutional structures and enhance coordination.

City of Austin – Interdepartmental Coordination

Several City of Austin departments coordinate efforts to provide the services outlined in this plan. NHCD administers community, economic development, and public facilities programs. The City of Austin contracts with AHFC to develop affordable rental housing; housing for homeownership; and housing rehabilitation of owner-occupied homes. The City's Health and Human Services Department (HHSD) provides homeless and emergency shelter services using Emergency Shelter Grant (ESG) funds. HHSD and NHCD both administer public service programs. HHSD also provides support to Austin residents living with HIV/AIDS and their families through use of HOPWA grant funds. Numerous non-federally funded housing programs and activities offered by NHCD rely on the coordination of other City departments including HHSD, Austin Energy, Neighborhood Planning and Zoning Department (NPZD), Watershed Protection and Development Review (WPDR), and Economic Growth and Redevelopment Services (EGRSO).

Community Housing Development Organizations (CHDOs)

CHDOs are non-profit housing providers whose organizational missions include the development of housing that is affordable to low- and moderate-income households. By coordinating with the CHDO Roundtable on policy matters and by providing CHDO Operating Expenses Grants to help increase capacity, the City is able to work closely with CHDOs to help them meet their housing development goals.

Community Development Commission

The Community Development Commission (CDC) is also instrumental to enhancing coordination of policies by advising the Austin City Council in the development and implementation of programs designed to serve the poor and the community at large with an emphasis on federally funded programs. The CDC is comprised of 15 members appointed by the Austin City Council.

Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Improve public housing and resident initiatives.

Public housing in the Austin area is provided by the Housing Authority of the City of Austin (HACA) and the Housing Authority of Travis County (HATC). Both HACA and HATC share updates on agency progress through regular contacts and meetings with city officials.

Housing Authority of the City of Austin (HACA)

Created in 1937, the Housing Authority of the City of Austin (HACA) is a major provider of affordable housing for low-income families, disabled persons and seniors in the Austin area. There are 1,928 public housing units and 5,127 Housing Choice Vouchers administered by HACA. HACA receives a Shelter Plus Care grant through the HUD Continuum of Care application for 97 units to provide assistance for homeless individuals and families in Austin. HACA continues to be successful with its down payment assistance program to provide assistance to qualified families participating in either the Public Housing or Housing Choice Voucher programs. The program provides a \$10,000 forgivable loan to be applied towards the down payment of a new or pre-existing home. If the applicant meets all the criteria of the program for the first five years, then the loan is forgiven.

HACA also applies for additional grant opportunities and administers several grants that provide funding for internet/wireless technology networks and additional supportive services to the youth and residents of public housing properties. These combined programs enable public housing residents computer access to increase computer proficiency and literacy, advanced computer usage, employability and ultimately to self-sufficiency.

HACA gathers input and ideas on capital improvements and resident initiatives through an annual series of meetings with Resident Councils, and surveys are distributed to all public housing residents. This information is incorporated, where appropriate, into HACA's annual plan.

Housing Authority of Travis County (HATC)

HATC was created in 1975, as an administrator of two HUD housing programs, the Housing Choice Voucher Program and Public Housing. HATC administers 8 housing services programs, the largest of which is 564 units of Section 8 Housing Choice Vouchers. HATC owns and manages 105 units of public housing in Austin and 49 units of non HUD-funded affordable housing in Manor and Del Valle, Texas. HATC receives a Shelter Plus Care grant through the HUD Continuum of Care application for 95 units to provide assistance for homeless individuals and families in the Austin Travis County Metropolitan area, as well as inter-local agreements with two other counties that allow for services in those

areas. Last year, HATC's Strategic Housing Finance Corporation completed one multifamily affordable housing development and two elderly developments. The two elderly developments total 278 units and the multifamily development contains 192 units. Financing for these developments came from a combination of tax credits and bond issues.

Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Evaluate and reduce lead-based paint hazards.

NHCD received a \$3.7 million grant from the U.S. Department of Housing and Urban Development (HUD) in the spring of 2007 to identify and control lead-based paint hazards in eligible low-income rental and owner-occupied housing over the next three years. The City's Lead Smart Program serves homes built prior to 1978 where children under 6 years of age live or spend a significant amount of time and who have tested positive for lead poisoning. The grant targets funding to communities with the greatest need, specifically to households with a high incidence of lead poisoning and older rental housing.

NHCD continues to conduct significant outreach regarding the Lead Smart Program. The marketing plan includes promotion of Lead Smart stories and events to media outlets, as well as direct mail including Lead Smart post cards to residences and apartment complexes built prior to 1978 that have been identified as a targeted clientele base for the LeadSmart Program. The Austin/Travis County Health and Human Services Department also test for high blood lead levels of children and refers qualifying families to lead abatement services through NHCD.

Federal Guideline: Describe Other Actions in Strategic or Action Plan Taken to: Ensure compliance with program and comprehensive planning requirements.

NHCD's Compliance Division ensures compliance with all program and comprehensive planning requirements. This includes a review of current program guidelines with the activities undertaken through these programs for compliance with: mandated federal regulations, established program guidelines, and written contract requirements. NHCD staff is required to be trained on federal and local requirements. The Compliance Division includes one staff person dedicated to technical assistance for compliance with HUD regulations.

Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Reduce the number of persons living below the poverty level.

Economic Development

The City of Austin continues to provide operating assistance to critical organizations serving minority small businesses. Their primary goal is to create and retain jobs for low- and moderate-income residents. Examples of these organizations that are providing assistance to small businesses include PeopleFund and BiGAUSTIN

Childcare Services

The HHSD administers the childcare program to increase the supply of child care to low-income families. Social service contracts provide childcare vouchers for homeless, near-homeless families, and for families in crisis; direct childcare services for the children of teen parents who are attending middle or high school; and child development services through the Early Head Start Program.

Housing Activities

A variety of housing activities operated by the City are designed to reduce the number of families in poverty. For example, the Tenant Based Rental Assistance (TBRA) Program provides temporary housing to low-income residents as they move toward self-sufficiency.

Federal Guideline - Describe Other Actions in Strategic or Action Plan Taken to: Enhance coordination between public and private housing and social services agencies.

Community Action Network (CAN)

CAN is a public/private partnership of 15 major community organizations that works to achieve sustainable social, health, educational, and economic outcomes for Austin and Travis County. CAN identified 12 Issue Area Groups (IAGs) that range from housing, health, and elderly services to workforce development. These IAGs bring together stakeholders throughout the community to help develop solutions. CAN maintains a listserv of more than 2,000 community contacts assisting NHCD regularly with getting information to the public. CAN is a key partner in the community's efforts to convene and support public awareness forums and events. NHCD attends monthly meetings providing regular reports and departmental updates to coordinate housing and community development activities for the community.

Coordination with Public Housing Authorities (PHA)

Regular contact and collaboration with local PHA officials ensures that the City housing programs are linked to the needs of public housing residents. NHCD contracts with the Housing Authority of the City of Austin (HACA) for tenant-based rental assistance through Passages Program referrals.

Affordable Housing Forums

The City will host quarterly Affordable Housing Forums in fiscal year 2009-10 to enhance the dialogue between all affordable housing stakeholders, including private developers, housing providers, and public policy makers. These community conversations are crucial to creating solutions for the City and community partners in addressing affordable housing.

Public – Private Partnerships

The City of Austin partners with private developers to disperse affordable housing geographically throughout the community and to preserve and create long-term affordability. AHFC is partnering with a private developer to provide affordable rental units within a planned market-rate project in Central Austin in the Zilker Neighborhood. Thirty of the 300 units (10 percent) of the development will be reserved for families with yearly household incomes of no more than 50 percent or below of MFI for a 40-year period. In South Central

Austin, AHFC is partnering with a for-profit developer to develop 215 market-rate rental units of which 22 units will be reserved for a 40-year period for households at 50 percent or below of MFI. AHFC also partnered with another for-profit developer in the East Riverside/Oltorf neighborhood, to develop affordable housing for seniors at CityView at the Park that earned a 4-Star Green Building rating. CityView at the Park is a 70-unit rental apartment development for seniors 55 and older with incomes less than \$29,880. These locations are within areas of the City where affordable housing stock is at risk and efforts are being made to preserve and create affordable stock.

IMPEDIMENTS TO FAIR HOUSING REPORT

For each Consolidated Plan, HUD requires the City to conduct an Analysis of Impediments to Fair Housing, a review of fair housing issues in the City. These reports identify recommended actions for the City to improve barriers to fair housing. Each year, in the Action Plan and the Consolidated Annual Performance and Evaluation Report (CAPER), the City reports on progress made towards these recommended actions. Impediments to fair housing choice are defined as any actions, omissions, or decisions that restrict, or have the effect of restricting, the availability of housing choices, based on race, color, religion, sex, disability, familial status, or national origin.

The following is the recommended actions for the current Consolidated Plan, fiscal years 2009-14. The City will begin implementing these new recommendations in summer 2009. For the 2009-2014 Five-Year Consolidated Plan, BBC Research & Consulting conducted the analysis of the Impediments to Fair Housing for the City of Austin. Please see Appendix II for the complete Analysis of Impediments Report. The following list details BBC's findings:

Action Item 1. Raise the visibility and resolution process of fair housing.

The number of complaints compared to the number of survey respondents citing housing discrimination suggests some residents may not understand their fair housing rights or may not know whom to contact when they face discrimination.

An online search containing commonly used phrases most likely searched for by residents facing housing discrimination revealed that the Austin Tenants' Council (ATC) is most likely the recipient of residents' questions and complaints. The ATC appears to be a very visible presence within Austin and is most likely the source residents use when they have experienced housing discrimination. The number of complaints ATC received in 2008 supports this statement.

If a resident is able to find the City's Office of Equal Employment and Fair Housing, they may have difficulty knowing how to file a discrimination complaint. There should be an effort made to work with the Office of Equal Employment and Fair Housing to make the site more user-friendly for residents interested in filing complaints.

Action Item 2. Conduct targeted education and programming in minority neighborhoods.

A few key takeaways from the Home Mortgage Disclosure Act (HMDA) analysis included the following:

- African American and Hispanic residents were more likely to be denied their loan than white residents in Austin. Loan denials were not as high for African American and Hispanic applicants by banks based in Austin.
- Higher loan denial rates were concentrated in east Austin neighborhoods.
- African American and Hispanic residents are more likely to receive subprime mortgages.

- The reasons for loan denials was more diverse for Austin residents, as compared to the denials given by Austin-based banks. For example, local banks report that 12 percent of residents were denied their loan because of an incomplete application.

The City’s response to these findings should include a few actions:

- Promote a model loan application program and determine how applicants should be informed about existing resources to help with the loan application process. Inform them of loan products, to ensure they’re not applying for the wrong products, leading to denials. If a program is already in place, marketing efforts should be targeted to neighborhoods experiencing the highest levels of loan denials to alleviate a lack of capital within these neighborhoods.
- Depending on available resources, the City could conduct targeted campaigns or “road shows” to educate citizens, landlords, housing providers and real estate professionals about specific issues of fair housing discrimination that are most prevalent by area. These campaigns could take the form of public meetings, forums and information meetings with local officials and target residents in east Austin.
- Work with local banks. Austin-based banks have a good history of providing loans to applicants of all races and ethnicities. Additionally, their rationale for loan denials was more uniform. Local lenders may have a greater interest in local residents to ensure that applications are sound and complete and that residents are applying for the correct types of loans products.

Action item 3. Continue leading affordable housing development efforts.

Affordability is the primary fair housing problem in Austin. As such, the community needs to continue being innovative in providing affordable housing for Austin residents. Per the recent housing market study conducted by BBC, a number of recommendations were made to the city for helping provide affordable housing. See Chapter 3 in the Consolidated Plan to review BBC’s recommendations in the Housing Market Study.

Additionally, the City of Austin appears has a solid working relationship with both HACA and HATC. The City should continue to support both housing authorities in their endeavors in providing affordable housing.

Action Item 4. Continue educating the public about affordable housing while involving neighborhood groups.

With the Council action and designation of a firm in May 2009 to implement a citywide comprehensive plan, there is renewed opportunity to capitalize on planning initiatives and develop additional tools to further educate neighborhoods of the importance of affordable housing. Educational initiatives to help address the barriers in developing affordable and accessible housing in certain neighborhoods should be pursued during the comprehensive

planning process. Strong neighborhood groups can be instrumental in educating and enforcing fair housing issues within their communities. The City should work to ensure that all educational events involve neighborhood group leaders.

ACTIVITIES TO ADDRESS HOMELESSNESS

Homeless needs are outlined extensively in Chapter 4 of the fiscal year 2009-14 Consolidated Plan. This section outlines homeless activities provided by the community at large as well as the specific homeless activities funded in the 2009-10 Action Plan.

Community Framework for Addressing Homelessness

In 2006, two community groups that addressed homeless issues – the Ending Chronic Homelessness Organizing Committee and the Homeless Task Force – merged to form the Ending Community Homelessness (ECHO) Coalition. The ECHO coalition is comprised of businesses and business associations, faith-based entities, public housing authorities, non-profit housing developers and service providers, hospitals, government agencies, funders, public safety representatives, current- and formerly- homeless persons, and other community supporters. ECHO serves as the lead planning entity on homeless issues in Austin/Travis County, and is an issue area group affiliated with the Community Action Network of Austin. Its mission is to provide “dynamic, proactive leadership that engages policy makers and the community to end homelessness.”

As part of this responsibility, ECHO coordinates and completes Austin’s Continuum of Care (CoC) application and Community Plan to End Homelessness. ECHO also administers Austin’s biennial homeless count and survey, which is a HUD prerequisite for CoC funding.

Continuum of Care

HUD adopted the Continuum of Care (CoC) process in 1994 to accommodate a “complete” system of care philosophy to address homelessness based on identified needs, the availability and accessibility of existing housing and services, and opportunities to integrate non-homeless mainstream housing and service resources. To compete for these funds, eligible regions (defined as locality - city, county, or state – that received Community Development Block Grants) are required to complete a CoC application that coordinates the needs of all the homeless service providers in the region. Since 2001, Austin has received \$31,394,305 in Continuum of Care funding.

In 2008, ECHO convened a community conversation to increase the ratio of housing dollars to supportive services in order to increase the community’s housing ratio in homeless service provision. As a result, \$824,152 was reallocated for permanent supportive housing projects in 2008. This resulted in Austin receiving \$5,085,813, or approximately \$1.3 million more in Continuum of Care funding than in 2007.

Austin’s Plan to End Community Homelessness (2009)

Ten Year Homelessness Plans are a national best practice recommended by the United States Interagency Council on Homelessness, the National Alliance to End Homelessness, and the U.S. Department of Housing and Urban Development. Plans have been adopted by the majority of the fifty largest cities in the United States. Austin’s first Plan to End Chronic Homelessness was created and approved by the Austin City Council in 2004.

In 2008, ECHO embarked on a process to update Austin’s Plan to End Chronic Homelessness, with the intent to focus on solutions to community homelessness as well as chronic homelessness. The planning process for this initiative is underway and is expected to

be completed in fall 2009. When completed, the report may be viewed on the ECHO website at www.caction.org/homeless. In addition to creating new strategies for ending community and chronic homelessness, the new plan will provide a new framework for the City of Austin to address the issue of homelessness. The draft document outlines four outcomes:

- 1. Persons at risk of becoming homeless receive the assistance they need to maintain appropriate housing.**
 - Goal 1A: Implement Homelessness Prevention and Rapid Re-Housing programs in coordination with the goals and strategies of the Community Plan to End Homelessness and take advantage of opportunities to strengthen data management and reporting, coordinated entry points for services, and common risk-level assessment.
 - Goal 1B: Strengthen systems that identify and engage persons at risk before a crisis occurs, so they can get help, with access points in schools, courts, public housing, health care providers, churches, social service providers, and jails.
 - Goal 1C: Implement affordable housing strategies linked to prevention for individuals and families.
 - Goal 1D: Implement additional prevention strategies including resource coordination and policy advocacy.
 - Goal 1E: Address factors that place youth at risk of homelessness and implement appropriate prevention services.

- 2. Persons that have become homeless will be able to move quickly to appropriate housing and support services.**
 - Goal 2A: Establish development plan based on evidence-based models and successful application in Austin, Texas.
 - Goal 2B: Develop partnerships with neighborhood interests that will allow for siting appropriate permanent supportive housing in proximity to transportation and employment resources.
 - Goal 2C: Assist non-profit housing providers in scaling up to produce units.
 - Goal 2D: Strengthen and expand existing resources for identification/creation of permanent, supportive housing and services.

- 3. The most vulnerable populations experiencing long-term homelessness and that may have mental illness, addictions or other conditions (including the chronically homeless) have access to stable housing and effective supportive services including treatment for persistent mental illness and substance abuse.**
 - Goal 3A: Implement selected pilot projects modeled on evidence-based practices.
 - Goal 3B: Engage stakeholders.
 - Goal 3C: Address physical and behavioral healthcare needs of vulnerable populations in collaboration with partner organizations.

- Goal 3D: Increase permanent supportive housing capacity to meet the needs of vulnerable sub-populations of the homeless.

4. Highly effective coordination of data management/reporting, policy development, strategic planning, and funding coordination occurs at the local level.

- Goal 4A: Formalize the coordinating functions in ECHO.
- Goal 4B: Coordinated Funding Opportunities.
- Goal 4C: Develop Credible Data.
- Goal 4D: Coordinate effectively with other planning bodies.
- Goal 4E: Engage the Community.
- Goal 4F: Sustain Coordination Activities Long-Term

Planning/Policy

The City of Austin is an active participant in planning initiatives related to ending homelessness in Austin. City staff from both the Health and Human Services Department (HHSD) and the Neighborhood Housing and Community Development Office serve on ECHO committees, including the Executive Committee, Planning & Evaluation Committee, and Exiting Committee. The city also provides administrative support to ECHO through general funds allocated to the City's Health and Human Services Department. The City's Health and Human Services Department is serving as the lead agency in administering \$3,062,820 of Federal Homelessness Prevention and Rapid Re-Housing (HPRP) Funding through the American Recovery and Reinvestment Act (ARRA) of 2009.

Housing

NHCD prioritizes gap financing to developers who create transitional and permanent rental housing for homeless households. Utilizing CDBG, HOME, General Obligation Bonds and other local sources of revenue, NHCD has contributed approximately \$18 million and leveraged almost \$22 million to create 675 units of transitional and single-room occupancy housing in 20 housing developments since 1998. In addition to housing development, the City also funds tenant-based rental assistance administered by the Passages Collaboration that serves homeless households. The City of Austin also funds the ongoing capital costs associated with the Austin Resource Center for the Homeless, a central daytime resource center and overnight shelter for homeless individuals. The ARCH was built with approximately \$6 million from a Section 108 HUD loan, which is repaid using the City's future CDBG entitlement allocations. In FY2007-08, the City repaid \$522,445 using CDBG funding.

Services

The City of Austin funds homeless services in this Consolidated Plan through Emergency Shelter Grants, Housing Opportunities for Persons with AIDS, and CDBG. The City also dedicates general funds to help homeless individuals and families to attain self-sufficiency. The City of Austin contributed \$5,281,173 from general revenue sources to fund local homeless services in FY2008-09 administered by HHSD. City funding for homeless services covers a wide variety of supportive services, including child care, youth services, elderly services, and services for persons with AIDS.

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA) REPORT SPECIAL REQUIREMENTS, FISCAL YEAR 2009-10

Describe how the proposed activities will be used to meet the urgent needs of persons with HIV/AIDS and their families that are not being addressed by public and private resources.

Historically, the City's Housing Opportunities for Persons with AIDS (HOPWA) program has contracted with two providers, AIDS Services of Austin (ASA) and Project Transitions, to carry out HOPWA activities independently or in the case of the Rent, Mortgage and Utility Assistance Program, collaboratively. This process has proven to support HOPWA activities effectively and in a timely manner.

The HOPWA program provides rent, mortgage and utility assistance to meet the urgent needs of eligible persons with HIV/AIDS and their families. The goal of the program is to prevent homelessness and to support independent living of persons with HIV/AIDS. The program requires that clients receive case management services in order to take part in the HOPWA program. Through case management services, HOPWA clients are referred to and are able to access other housing possibilities. Case managers consistently play a key role in assisting clients to tap into other housing resources such as Section 8 housing.

To ensure eligible clients are able to establish a new residence, funding of Permanent Housing Placement (PHP) as a housing activity is to cover reasonable costs to move person into a safe and stable living environment. Payments that cover first month's rent have been identified as an urgent need for eligible clients and their families. Payments for these expenses are not eligible under STRMU and HOPWA-TBRA.

In an effort to address the needs of underserved clients who have criminal histories and housing eviction histories, HOPWA provider agencies explored transitional housing resources. HOPWA provider agencies now consistently refer to a limited number of transitional housing resources that accept clients with criminal and eviction histories.

HIV case managers also provided services that address the urgent needs of persons with HIV/AIDS and their families by: 1) referrals, assistance, and follow-up for affordable housing, rent and utility deposits, income assistance, mental health and substance abuse treatment/counseling and primary medical care; and 2) assisting with budgeting and resource negotiation skills.

Describe the public and private resources expected to be made available in connection with the proposed activities being funded.

Because housing needs far exceed the supply of affordable housing, other funding sources have been sought. Resources have come from the following:

AIDS Services of Austin (ASA), through the City of Austin, will receive funding from Best Single Source, an Austin collaborative project of seven agencies, to provide rent, mortgage and utility assistance. Funds are most frequently used for individuals who, due to income eligibility limitations, do not qualify for HOPWA or qualify for small amounts of HOPWA assistance. The goal of the program is to maximize financial allotments for a small number of clients in order to ensure housing stability to increase self-sufficiency and decrease

dependency on community resources. Project Transitions contributes a portion of its own general funds for housing related services. Some clients in the HOPWA program can afford to pay a portion of their monthly housing/supportive services costs through a sliding-scale fee. HOPWA subcontractors retain program income to provide additional services. ASA contracts for 10 subsidized housing slots through the Housing Authority of the City of Austin (HACA) Shelter Plus Care Program. Clients usually use these slots for up to five years. ASA refers, on average, two new clients per year to fill slots when clients exit the program.

HOPWA program Supportive Housing staff make contacts and referrals as needed with case managers at ASA, Austin/Travis County Mental Health Mental Retardation Community AIDS Resource Education (CARE) Program, Community Action Inc., The Wright House Wellness Center and the City of Austin's Communicable Disease Unit. ASA and Wright House food banks provide transportation and pick-up for the HOPWA program clients. A resource directory that contains information about available community resources, including food, clothing, education, employment, children's needs (schools, immunizations, etc), transportation options, housing options, mental health resources, etc. has also been created and is used by HOPWA case managers to identify client resources. Staff and interns also work to coordinate services with Child Protective Services, the City of Austin Housing Authority, Texas Rehabilitation Commission, Capital Area Workforce and members of the legal system.

The City of Austin's HOPWA program is one of six HIV-related grant programs that provide services under 14 categories of HIV/AIDS services in the Austin area. These grants include: Ryan White HIV/AIDS Program - Parts A, B, C and Minority AIDS Initiative (MAI); State of Texas HIV Health and Social Services; and HOPWA-HUD. The Austin/Travis County Health and Human Services Department administers the Ryan White Part A, C, MAI, and HOPWA-HUD programs which represent HIV program services valued at over \$5.5 million annually. Additionally, the Department of State Health Services (DSHS) administers Ryan White Part B and the State of Texas HIV Health and Social Services in the Austin area, which cumulatively are valued at approximately \$1.5 million.

In the Austin area, the Austin Area Comprehensive HIV Planning Council generates the only HIV services Priority List, based on information from a five-county "transitional grant area" wide comprehensive needs assessment. By allocating grant funds according to the community-wide priority list, additional contributions from grant allocations, private funds, and in-kind contributions are effectively targeted, and duplication or gaps in services is minimized.

Case managers at agencies providing rent and utility assistance leverage resources by providing case management services through HIV grant-related funds; through use of emergency or special funds to pay for housing deposits and documents required to secure low-income housing; and through the use of agency vehicles and taxi vouchers to transport clients applying for housing-related resources.

The State of Texas provides additional public funds to contract directly with Community Action to provide rent, mortgage and utility assistance to people living with HIV/AIDS and their families in rural areas of Central Texas.

Describe the method of selecting project sponsors for activities in the Metropolitan area, including areas not within the boundaries of the applicant City.

Historically two providers, ASA and Project Transitions, have been selected to carry out the HOPWA activities independently or – in the case of the Rent, Mortgage and Utility assistance programs – collaboratively. This process has proven to support HOPWA activities effectively and in a timely manner.

As noted earlier, the Austin/Travis County Health and Human Services Department (HHSD) along with its project sponsors ASA and Project Transitions has created a long-standing community collaborative with four other community-based HIV case management service providers. Case management service staff provide eligibility screening, develop housing service plans, and assist clients in navigating essential housing services programs helping to ensure HIV-positive clients and their family members maintain safe and stable housing as well as assist clients in locating housing.