



# ATX Housing Plan – Community Conversations

## Conversation Kit Instructions & Topics

### Instructions:

1. Thank you for participating!
2. You will need to print out:
  - a. A Conversation Kit Instructions & Topics packet for each participant
  - b. One Group Activity Sheet for the group (PDF document with ATXhousing Community Conversations at the top)
  - c. One Tally Sheet for the group (Word document)
  - d. One Frequently Asked Questions Sheet (optional)
  - e. An Individual Feedback Sheet for each participant (optional)
3. Before you begin, please designate a facilitator for your group. The facilitator will keep the conversation going, and will try to limit group discussion to 10 minutes per topic. The conversation topics are described in this packet. We'll explain those shortly. The exercise should take about 60 minutes if you stay on pace.
4. Hand out a copy of the Conversation Kit Instructions & Topics to each person in the group.
5. **Please read through your packet in its entirety.**
6. After everyone is done reading through the entire packet, each person should initial above the phrase that best reflects their level of support for the statement on the Group Activity Sheet.
7. [Facilitator] After all participants have written their initials on the Group Activity Sheet for all six topics, the facilitator asks people with initials closest to each end of the spectrum of responses to explain why they feel the way they do. Begin with topic #1 and take no more than 10 minutes to discuss as a group.
  - a. At the conclusion of the discussion for each topic, the facilitator asks everyone if they would like to change their response at that time. If so, participants cross out their initials in the first location and write their initials at the new location.
8. [Facilitator] Move on to topic #2, starting with the people with initials closest to each end of the spectrum of responses explaining why they placed them in those locations. Take no more than 10 minutes to discuss.
  - a. At the conclusion of the discussion for each topic, the facilitator asks everyone if they would like to change their response at that time. If so, participants cross out their initials in the first location and write their initials at the new location.
  - b. Repeat the sequence for the remaining topics.
9. [Facilitator] Once the group has completed the exercise, the facilitator should tally the number of responses in each field on the Tally Sheet (Word document) to email back to [nhcd@austintexas.gov](mailto:nhcd@austintexas.gov), or mail it or drop it by Neighborhood Housing and Community Development, 1000 E. 11<sup>th</sup> St., Suite 200, Austin, TX 78702, by 5:00pm on May 27, 2016. Participants are invited to fill out Individual Feedback Sheets and submit them by email or at our offices.



## Topic #1: Affordable Housing in Austin

**Statement to Discuss:** *There should be affordable housing options available in your neighborhood.*

### Relevant Information

- **Affordable housing** is defined as housing in which the occupants are paying no more than 30 percent of their income for gross housing costs, including utilities. Many in Austin, both individuals and families, pay **more than they can afford** for housing.
- **Austin is in need of housing**, particularly for households earning less than \$25,000 per year. Current data indicates that there is a **shortage of 48,000 units**, up from 37,000 units five years ago.
- Nearly 55% of the city’s households are renters, and **only 1 in 6 renters earning less than \$20,000 a year can find affordable housing**.
- **Low- and moderate-wage jobs** range from \$15,000/year to \$40,000/year and include teachers, childcare workers, cooks, musicians, servers, clerks, and home health care attendants.
- While **low- and moderate-wage jobs are found in every zip code in the city**, affordable housing (subsidized or market-rate) is not.
- Some zip codes in Austin **completely lack affordable multifamily housing units**. To address the shortage of affordable housing in some areas, additional multifamily housing would need to be built.

## Who Needs Housing that is AFFORDABLE?

HOUSEHOLDS BELOW POVERTY LEVEL	LOW-WAGE WORKERS	LOW-INCOME FAMILIES	MODERATE-INCOME FAMILIES
<p>Including Seniors and Persons with Disabilities</p> <p><b>Less than \$11,770</b> Per year for an individual</p> <p>People living below poverty level, including those 65 years of age or older, people with physical, developmental and mental disabilities, who live on a fixed income such as Social Security</p> <p><b>CURRENTLY = 24,068 HOUSEHOLDS</b></p>	<p><b>Less than \$26,900</b> Per year for an individual Less than 50% Median Family Income</p> <p>Childcare providers, nurses aides, bus drivers, retail sales people, cashiers, cooks, custodians, visual/performance artists</p> <p><b>CURRENTLY = 83,631 WORKERS</b></p>	<p><b>\$38,400-\$61,450</b> Per year for a family of four 50% to 80% Median Family Income</p> <p>Medical assistants, bookkeepers, social workers, elementary school teachers, electricians, plumbers, paralegals, teachers 'aides</p> <p><b>CURRENTLY = 68,262 FAMILIES</b></p>	<p><b>\$61,450-\$92,150</b> Per year for a family of four 80% to 120% Median Family Income</p> <p>Teachers, public safety workers, nurses, database administrators, architects, physical therapists, computer programmers, dental hygienists</p> <p><b>CURRENTLY = 66,527 FAMILIES</b></p>

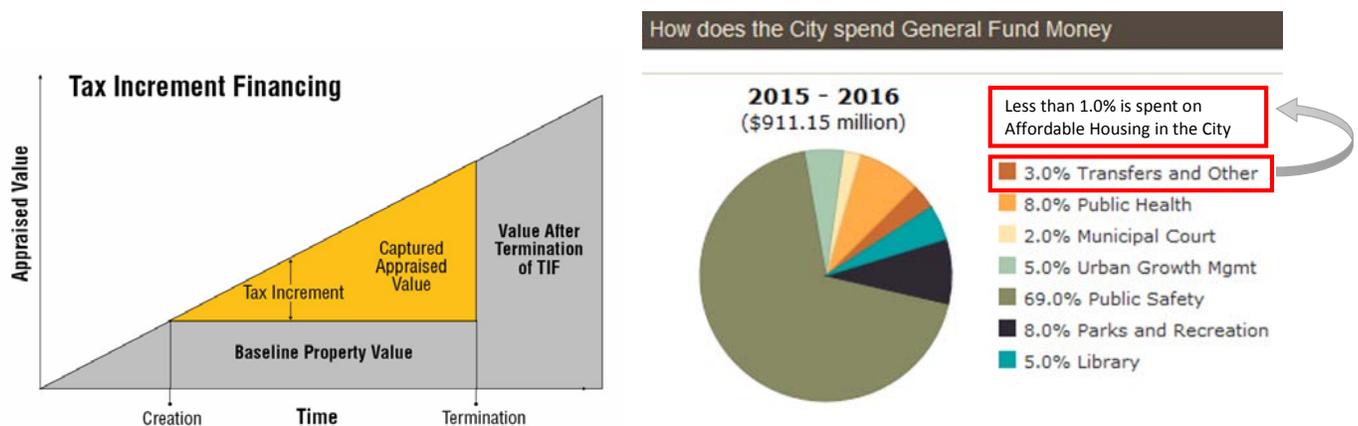


## Topic #2: Additional City Funding for Affordable Housing

**Statement to Discuss:** *The City should dedicate a larger proportion of tax revenue from new developments to affordable housing, which could result in less funding for other City services and programs.*

### Relevant Information

- The City of Austin is **limited by state law in the range of tools** it can use to support affordable housing.
- As **new developments** are built in Austin, they **generate additional tax revenue** in the form of property taxes, and sometimes sales taxes, if there are retail shops in the development. Some of that additional revenue could be directed toward the creation or preservation of affordable housing through **Tax Increment Financing**.
- **Tax Increment Financing** for affordable housing is **allowed by state law**, but has not been used extensively for this purpose in Austin.
- Funds collected through Tax Increment Financing could be used to build housing with long-term affordability to ensure that there is **housing that will stay affordable over the long term**, even if overall housing prices increase.
- **Less than 1% of the City of Austin's budget is currently spent on affordable housing.** The additional tax revenue generated by new developments would be used for a range of city services including parks, libraries, roads, public safety, etc., if those funds were not dedicated to affordable housing.



Sources: <http://bettercities.net/images/15879/tax-increment-financing>;  
[https://austintexas.gov/financeonline/finance/financial\\_docs.cfm?ws=1&pg=1](https://austintexas.gov/financeonline/finance/financial_docs.cfm?ws=1&pg=1)



### Topic #3: Taller Buildings for More Affordable Housing

**Statement to Discuss:** *The City should allow developers to build taller buildings along major roadways in exchange for on-site affordable housing for households earning less than \$40,000 per year.*

#### Relevant Information

- **Density bonuses** allow developers to build more housing units, taller buildings, or add more floor space than normally allowed in exchange for a defined public benefit, such as the inclusion of affordable units in a development.
- Density bonuses are a mechanism through which **affordable units are created without public subsidy**.
- The city has several existing density bonus programs that enable developers to secure the increased height or floor space if they **set aside a percentage of units as affordable housing** on site. Two such programs are the Vertical Mixed Use (VMU) and the Transit Oriented Development (TOD) density bonus programs.
- In addition to the affordable units created through these developments, the net **increase in revenue to the city** in property taxes from the larger projects allowed through a bonus program can be used to **fund city services**.

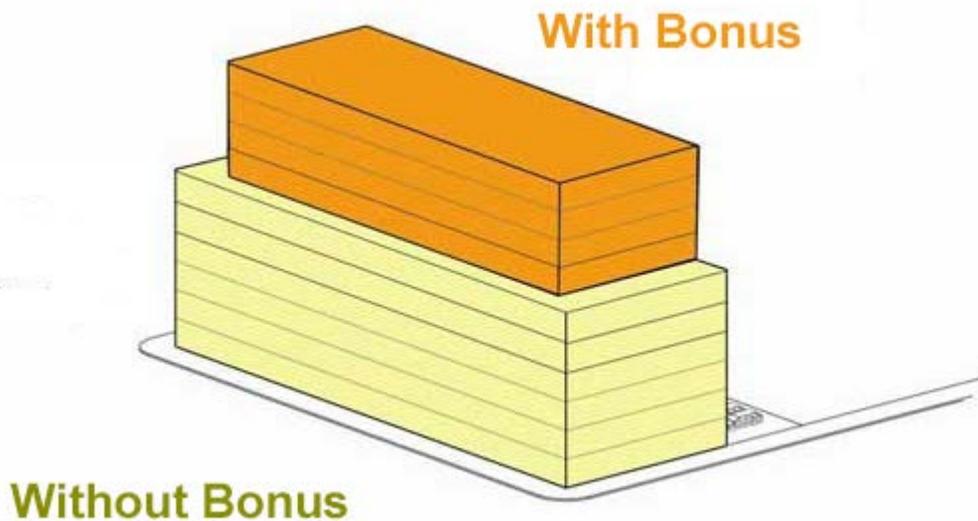


Image Source: [http://www.nyc.gov/html/dcp/html/bed\\_stuy/bed\\_stuy3.shtml](http://www.nyc.gov/html/dcp/html/bed_stuy/bed_stuy3.shtml)



#### Topic # 4: Smaller Houses on Smaller Lots

**Statement to Discuss:** *The City of Austin should allow small houses to be built on smaller pieces of land than is currently allowed, in order to provide more affordable options.*

#### Relevant Information

- **Housing prices have increased** in Austin within the last five years, a time when there have not been significant changes to the City's regulations for predominantly single-family neighborhoods.
- One potential strategy to address Austin's lack of affordable housing choices is to **allow housing on smaller pieces of land** than is currently allowed.
- Allowing multiple units on the same land can **divide the increasing cost of land between multiple households**, reducing that portion of the cost of housing.
- The name commonly used for a range of multi-unit or clustered housing types is "missing middle." Well-designed "**missing middle**" housing helps make neighborhoods more walkable, more supportive of businesses (by increasing foot traffic), and more likely to support public transit by enabling more people to live within walking distance of transit.
- This type of housing is **allowed at the Mueller Development** in Austin, but not in most of the rest of the city.



*Image Sources:* <http://www.modative.com/small-lot-subdivision-los-angeles-blog/topic/multi-family-housing>;  
<https://www.flickr.com/photos/88104819@N02/1165250595>



## Topic #5: Reduce Parking Requirements for Affordable Housing

**Statement to Discuss:** The City should reduce the amount of parking required for new developments within a quarter of a mile of a bus route or rail line as an incentive to include on-site affordable housing.

### Relevant Information

- Parking requirements are **the largest of all regulatory burdens** placed on developers, about four times greater than all other development fees such as levies for schools, parks and roads *combined*.
- **Parking requirements** usually account for about 10% of cost of new developments. This percentage is much higher for lower-priced housing in areas with high land costs.
- **High parking requirements** make it difficult for new development to fit onto small lots.
- **Parking spaces** take up land that could otherwise be used for additional housing, green space, businesses, or some combination of the three.
- **Reducing parking requirements** for developments providing affordable housing would allow the money that would have been spent on parking to be used to provide affordable housing.
- People living within walking distance bus routes or rail lines are able to more easily use transit, **reducing the need for parking**.



Image Source: Fregonese Associates.

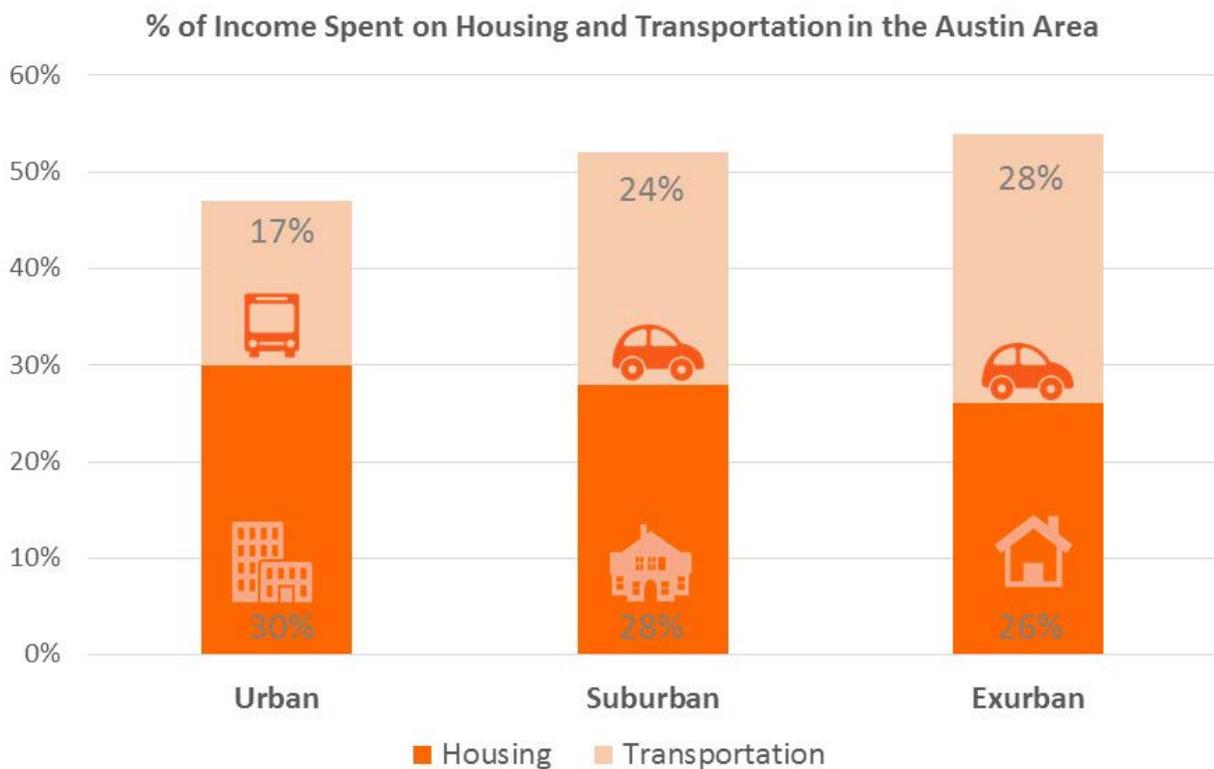


## Topic #6: Linking Housing and Transportation

**Statement to Discuss:** The City should encourage more housing at a range of prices within a quarter of a mile of bus routes or rail lines to enable more people to live within walking distance of multiple transportation options.

### Relevant Information

- **Household Affordability** is defined as the ability of a household to afford its housing and associated costs, including rent or mortgage, **transportation**, and utilities. Transportation costs are typically a household's second-largest expenditure after housing itself.
- In Austin, on average, **people spend about 20% of their income on transportation.**
- The cost of ownership, maintenance, insurance, and gas for a car averages **\$9,000 per car per year** in Austin, or enough for an additional \$750/month on housing.
- Longer commute times make it harder for low-income families to move up the economic ladder. **Housing with good access to transit connects people with jobs and services** without having to own a car.



SOURCE: <http://www.locationaffordability.info/>