

Chapter 4

Local Policy and Program Initiatives

Chapter 4: Local Policy & Program Initiatives

UPDATE ON KEY POLICY AND PROGRAM INITIATIVES

The City of Austin continued its local policy and program initiatives in FY 2010-11 that supported its mission to provide housing, community development, and economic development that benefit eligible residents so that they have access to livable neighborhoods and increase their opportunities for self-sufficiency. The following are key policy strategies that the City utilizes to meet its mission during the FY 2009-14 Consolidated Plan. These include:

1. Promote affordable housing core values: Long-term Affordability, Geographic Dispersion, Deeper Levels of Affordability,
2. Encourage private sector development of affordable housing and commercial revitalization,
3. Expand alternate revenue sources,
4. Provide leadership and education for affordable housing and community development,
5. Promote sustainable practices.

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The following provides a summary of actions the City took to further each policy initiative in FY 2010-11:

1) PROMOTE AFFORDABLE HOUSING CORE VALUES: LONG-TERM AFFORDABILITY, GEOGRAPHIC DISPERSION, DEEPER LEVELS OF AFFORDABILITY

a) Long-term Affordability

Shared Equity Tools

The City of Austin, through the Austin Housing Finance Corporation (AHFC), continued to use a shared equity ownership model to preserve affordable housing. AHFC programs that apply the shared equity model include: the Down Payment Assistance (DPA) Program, the Home Rehabilitation Loan Program (HRLP), and the Acquisition and Development (A&D) program. The Shared Equity model allows income-eligible homebuyers and homeowners to obtain substantial mortgage assistance or 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 its appraised value.
2. Homeowners are required to share the proportional amount of appreciation realized at resale with AHFC and to repay the DPA funds originally received at purchase.

The recaptured funds will allow AHFC to assist another low- to moderate-income buyer to purchase the home.

Community Land Trust

The City Council directed staff to move forward with implementation of a Community Land Trust (CLT) in 2005. A CLT is a tool to preserve the public investment in affordability and preserve 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. CLT homeowners will receive a share of the appreciation when the affordable unit is re-sold. This model provides future opportunities for low- to moderate-income households to buy the home at an affordable price. The City recognizes that homeownership is an important avenue of wealth creation for many low-income households. Without this type of mechanism in areas in which housing prices are increasing rapidly, the subsidy given to low-income households is lost to future residents when the house is sold. In addition, a CLT would allow the City to reach deeper levels of affordability for lower-income homeowners.

There is currently a lack of availability of CLT mortgages for consumers in Central Texas. Identifying a mortgage lender for a CLT mortgage product is a key factor for successfully implementing this initiative, and NHCD will

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continue to seek partnerships with lending institutions to provide CLT mortgages. Locally, the Housing Authority of the City of Austin and PeopleTrust are also planning to utilize the CLT model in efforts to promote homeownership. NHCD is considering strategic partnerships with local organizations that successfully implement the CLT model in Austin. NHCD's Colony Park development may offer an opportunity to move forward with the planned CLT initiative.

Publicly-Owned Land/ Public Property Tax Exemption

The Austin Housing Finance Corporation (AHFC), as a tax-exempt public entity, receives a 100 percent tax exemption on all land it owns. AHFC occasionally chooses to partner with an affordable housing developer through purchase of the land and a long-term leasehold deed of trust held by AHFC. The benefit of AHFC's property tax exemption helps sustain the project's viability and affordability. This structure is typically used when the affordable housing development meets several key criteria, among them: location on/near a transit-oriented development or core transit corridor, near critical services and amenities, in a high-opportunity area, and serving very low-income residents. Exhibit 4.1 provides a list of the properties AHFC owns and leases back to the development's operating entity.

Exhibit 4.1: AHFC Long-Term Lease Projects

Name	Operated by	Location	Population Served	Units
Villas on Sixth*	Campbell-Hogue & Associates	2011 East 6 th St.	At or below 50% of MFI, but also includes 24 market-rate units	160
Oak Springs Villas	Volunteers of America	2901 Oak Springs (former City Surplus)	Seniors at or below 50% of MFI	56
Spring Terrace SRO	Foundation Communities	7101 N. IH-35	At or below 50% of MFI	140
Primrose at Shadow Creek*	Cascade Affordable Housing	1036 Clayton Lane	Seniors at or below 60% of MFI	176
Glen Oaks Corner	Green Doors	900 Neal St. (former City Surplus)	At or below 50% of MFI	6
Franklin Gardens	Chestnut Neighborhood Revitalization Corporation	MLK and E. M. Franklin Blvd. (former City Surplus)	Seniors at or below 50% of MFI	22
Retreat at North Bluff	Village on Little Texas, LLC	2912 Crow Ln.	Mixed-income development with 6 PSH units, and 50 units at or below 30% and 50% of MFI	240
Arbor Terrace SRO	Foundations Communities	2501 S. IH-35	At or below 50% of MFI	120

*Owned in part by an AHFC-affiliated entity either through a Limited Partnership or Limited Liability Company.

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Preservation of Affordable Housing

NHCD issued a report, *Affordable Housing in Austin, A Platform for Action* in April 2008 to proactively address the loss of existing affordable housing stock in the community. Other City of Austin studies that have addressed the importance of preserving Austin's affordable housing stock includes the Comprehensive Housing Market Study (March 2009) and the ROMA/HR&A Downtown Affordable Housing Strategy (July 2009). In addition, community feedback provided throughout the FY 2009-14 Consolidated Plan stakeholder meetings identified preservation as a priority for Austin's affordable housing efforts.

Below is an update on the status of NHCD's preservation efforts and continued plans:

1. Intergovernmental Coordination

The City of Austin works closely with the Housing Authority of the City of Austin (HACA), which founded the Southwest Housing Compliance Corporation (SHCC) in 2000 to oversee project-based Section 8 properties. SHCC has won competitive contracts to administer all such properties in Texas and Arkansas. Nationwide this program is administered by the Federal Housing Administration (FHA). The City will identify opportunities where Austin can preserve project-based Section 8 properties by working closely with key agencies that are instrumental in preservation efforts.

Intergovernmental coordination is also underway through the Community Action Network (CAN), with a goal to bring together representatives from the city, county, state, and federal housing agencies along with additional housing experts to identify actions needed to address housing issues locally and regionally. Provisionally named the Housing Stakeholders Group, the CAN will take the lead on convening this group. NHCD is a member of the group, and partners with other local and regional housing agencies to more comprehensively address short-term and long-range housing needs in the Austin area.

2. Preservation Partnerships

NHCD's Rental Housing Development Assistance (RHDA) program has provided funding to assist with efforts in preserving and retaining affordability through the preservation of existing housing stock. In the past 2 fiscal years, RHDA has assisted with the following preservation developments: Elm Ridge Apartments, Malibu Apartments, Pecan Springs Commons, Sierra Vista Apartments, Marshall Apartments and the Treaty Oaks Apartments.

3. Education and Outreach

The Analysis of Impediments to Fair Housing report, a statutory requirement for the City of Austin's FY 2009-14 Consolidated Plan, cites affordability and

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discrimination as significant fair housing problems in Austin. NHCD administers several programs to help promote and raise awareness of these issues, from Tenants' Rights Assistance to Homebuyer Education and Foreclosure Prevention services.

4. Case Study for Preservation: East Riverside Corridor Regulatory Plan

East Riverside Drive is a highly traveled corridor located a few minutes from downtown Austin. There has been significant interest in redevelopment of several large properties in the area due to its proximity to downtown and Lady Bird Lake. East Riverside Drive has a wide right-of-way, which could provide locations for future pedestrian, bicycle, or transit-friendly improvements. The corridor presents a significant opportunity to transform an under-utilized commercial corridor into a more sustainable, mixed-use, and transit-oriented neighborhood.

Along with the City's Planning and Development Review Department (PDR), Consultants A. Nelessen and Associates, Inc. developed a master plan for the East Riverside Corridor from Interstate 35 to State Hwy 71/Ben White Boulevard. The Master Plan provides land use and urban design recommendations to improve the character and function of the environment along the East Riverside Corridor. The plan includes transportation recommendations and identifies infrastructure improvements that may be required to implement the plan. The City Council voted unanimously to adopt the East Riverside Corridor Master Plan on February 25, 2010, as the vision for the area. The City Council also voted unanimously to reclassify East Riverside Drive between Pleasant Valley Road and Highway 71/Ben White Boulevard from an Urban Roadway to a Core Transit Corridor.

Currently, the City has moved into the second phase of the planning process for the East Riverside Corridor Master Plan, which is the Regulatory Planning stage. The housing components of the Regulatory Plan include a Density Bonus program for redevelopment in the Corridor, as well as a Preservation Strategy for how to maintain affordable housing in the Corridor and mitigate displacement of current low-income residents. During this process, the City has received a considerable amount of feedback about the need for affordable housing and preservation of existing housing stock in the Corridor. NHCD is working with stakeholders to create a preservation action plan.

The East Riverside Corridor has traditionally been an area of a large number of market-rate affordable housing units; unfortunately, much of this housing is 30-40 years old and in need of rehabilitation and repair. The Density Bonus program provides a mechanism for more responsible redevelopment by incentivizing developers to build affordable housing in exchange for more density and more flexible development standards. However, because a bonus program must be financially attractive and feasible to developers, this program will mostly likely provide affordability to households earning at or

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below 60 percent to 80 percent of MFI. NHCD recognizes that there must be other preservation strategies in place to ensure that the East Riverside Corridor continues to provide affordable options for extremely-low and very low-income households (earning at or below 30 percent to 50 percent MFI).

In December 2009, the Austin City Council approved zoning for the South Shore PUD (Planned Unit Development) located in the East Riverside Corridor. This approval allowed Grayco Town Lake Investment 2010 LP to demolish two existing apartment complexes in order to build condominium developments in their place. As part of this agreement, Grayco was obligated to work with Casa Blanca Realty, a consultant, and NHCD on a tenant relocation plan for existing tenants. As of the end of FY 2010-11, all tenants from the Brookhollow and Shoreline apartment complexes have been relocated, and stipends and security deposits have been paid to each resident in full. Residents with school-aged children were offered assistance to move to another complex within the same school district, or given the option to transfer their child back to the same school in the event that they needed to move out of the school district.

The City of Austin has solicited feedback from the public in various stakeholder meetings on these strategies, and has recently convened an East Riverside Corridor Housing Action Group comprised of key community stakeholders to identify specific preservation strategies for implementation. Among the strategies being considered are the following:

- Preserve subsidized and market-rate affordable housing,
- Increase affordable homeownership opportunities,
- Promote affordable housing development,
- Reduce regulatory barriers to development, and
- Target public services for low-income area residents, including potentially displaced low-income residents.

In accompaniment to these strategies are a collection of specific tools for implementation of each strategy. These tools range from preserving Section 8 project-based housing, to setting up a Tax Increment Financing (TIF) option that helps fund affordable housing developments, to funding more tenants' rights assistance. NHCD conducted a survey asking the public about top strategies and tools they would like to prioritize to create and preserve affordable housing in the area. Below are the results from public feedback.

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Exhibit 4.2: Priority Strategies for Creation/Retention of Affordable Housing

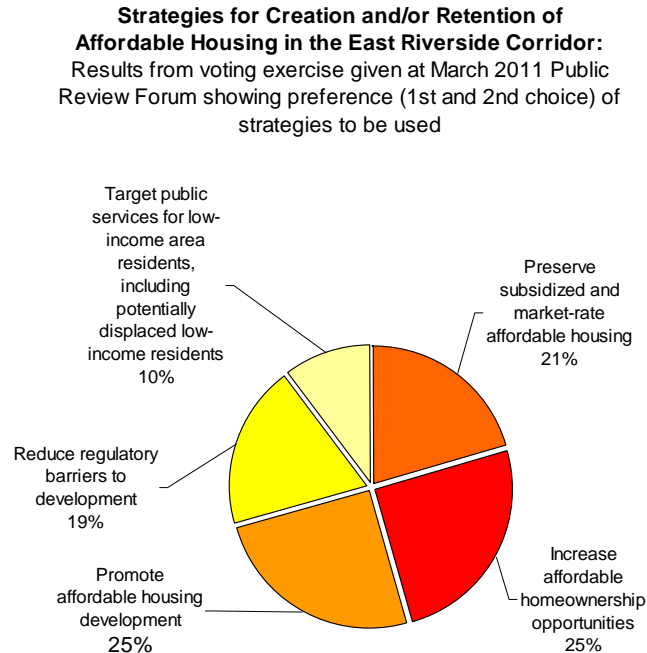
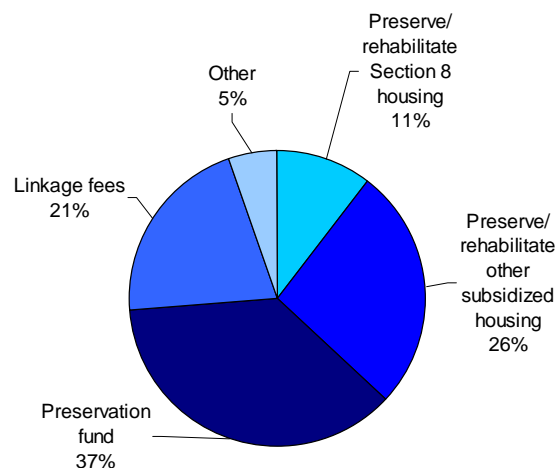


Exhibit 4.3: Strategy 1 – Preserve Subsidized & Market-Rate Affordable Housing

Tools to Implement Strategy 1: Preserve Subsidized and Market-Rate Affordable Housing
Results from March 2011 Voting Exercise



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Exhibit 4.4: Strategy 2 – Increase Affordable Housing Homeownership Opportunities

Tools to Implement Strategy 2: Increase Affordable Homeownership Opportunities
Results from March 2011 Voting Exercise

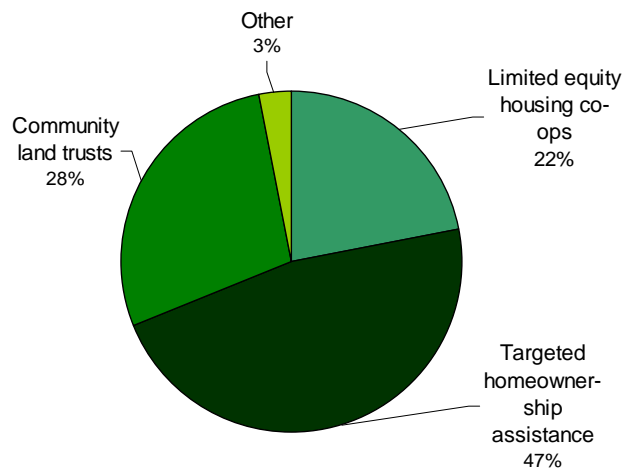
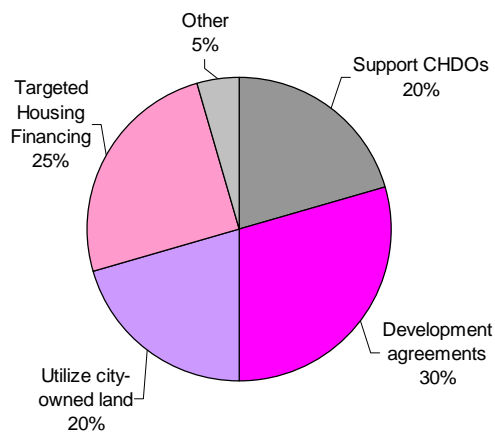


Exhibit 4.5: Strategy 3 – Promote Affordable Housing Development

Tools to Implement Strategy 3: Promote Affordable Housing Development
Results from March 2011 Voting Exercise



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Exhibit 4.6: Strategy 4 – Reduce Regulatory Barriers to Development

Tools to Implement Strategy 4: Reduce Regulatory Barriers to Development
Results from March 2011 Voting Exercise

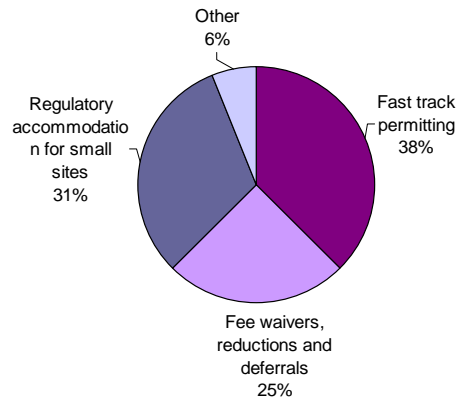
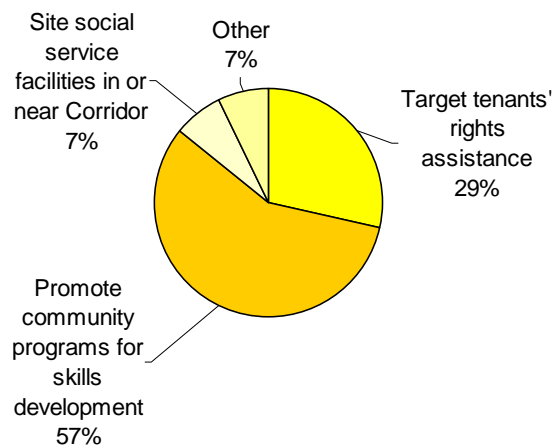


Exhibit 4.7: Strategy 5 – Reduce Regulatory Barriers to Development

Tools to Implement Strategy 5: Target public services for low-income area residents, including potentially displaced low-income residents
Results from March 2011 Voting Exercise



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b) Geographic Dispersion

The City supports providing affordable housing in areas outside of low-income neighborhoods; thereby reducing race and ethnic segregation, deconcentrating poverty, and providing for more economic opportunities for low-income households. NHCD provided funding preference in FY 2010-11, through a scoring matrix system to projects that assisted in the dispersion of affordable housing stock throughout the community and its focus on areas in Austin where there is a shortage of affordable housing.

The City of Austin has achieved significant geographic dispersion in the units funded through the City's G.O. Bond funding. At the time of this report, excluding home repair activities which are city-wide, 1,650 total units have been created, of which 847 units (51 percent) were created west of IH-35. 803 of the total units (49 percent) were created east of IH-35. NHCD continues to explore ways to develop and encourage the development of affordable housing that is geographically dispersed throughout the city. To view a map displaying the geographic distribution of the City's rental housing developments visit Appendix IV.

c) Deeper Levels of Affordability

The City's Housing Market Study in 2008 showed a gap of 37,600 units of affordable housing for households making less than \$20,000 a year. To assist in closing that gap NHCD continues prioritizing resources to affordable housing projects that serve very-low income households. In FY 2010-11, 71 percent of households occupying units assisted with the Rental Housing Development Assistance (RHDA) funds earn incomes at or below 30 percent of MFI.

Permanent Supportive Housing

On March 25, 2010, the City Council passed a resolution, directing the City Manager to give priority to federal and local funding for permanent supportive housing (PSH), and to develop a comprehensive strategy for the construction and operation of 350 permanent supportive housing units over the next four years. On September 30, 2010, the City's PSH strategy was presented to City Council. Implementation is underway to achieve the 350-unit goal.

City of Austin-funded PSH will serve individuals or households in the following categories:

- Headed by individuals that are chronically homeless as established in the HEARTH Act¹;
- Households that would otherwise meet the HUD definition as above,

² U.S. Department of Housing and Urban Development, URL: <http://www.hudhre.info/hearth/>

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- but have been in an institution for over 90 days, including a jail, prison, substance abuse facility, mental health treatment facility, hospital or other similar facility;
- Unaccompanied youth or households with children that demonstrate housing instability and have other barriers that will likely lead to continued instability, as detailed in the plan; and
- Youth aging-out of state systems, whether homeless or at-risk of homelessness.

Among those served, priority will be given to at least 225 households identified as frequent users of public systems, and at least 75 households identified using a method linked to 'vulnerability,' as described in the plan that can be viewed online at www.austintexas.gov/housing.

PSH Unit Pipeline

In FY 2010-11, the City Council approved \$7.2 million in General Obligation (G.O.) Bond funding for the creation and retention of affordable rental housing, of which \$1.775 million was allocated to fund permanent supportive housing. Of those proposed, the following applicants have identified serving PSH sub-populations in the City's Strategy presented to Council on September 30, 2010.

- Foundation Communities, Arbor Terrace (Suburban Lodge SRO), 25 PSH units
- Green Doors, Treaty Oaks Apartments, 25 PSH units
- Summit Housing Partners, Marshall Apartments, 20 PSH units

Exhibit 4.8 represents the estimated number of PSH units in the pipeline (as of September 2011) with capital, operating and service components funded through the City of Austin and a variety of other public and non-governmental funding sources. Due to the importance of responding to this community housing need, NHCD and HHSD staff continue to coordinate efforts to educate the community on the need and number of PSH units coming online in Austin. As community partnerships are formed, the City staff will continue to engage stakeholders with this information – while continuing to identify corresponding agencies and funding sources.

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Exhibit 4.8: Austin PSH Pipeline

Sponsor Name	Project Name	Total PSH Units	Additional Affordable Units (excluding PSH units)	Total Units	Project Status
Caritas	2011 Continuum of Care (CoC) Bonus: (leased units)	10	0	10 (20)*	Pipeline
Foundation Communities	Arbor Terrace (including 10 units leased by Caritas CoC)	25	95	120	Construction
FrontSteps	2010 Continuum of Care (CoC) Bonus (leased units)	19	0	19 (26)*	Occupied
Green Doors, Inc.	Pecan Springs Commons	25	45	70	Construction/ Occupied
Green Doors, Inc.	Treaty Oaks (including 7 units leased by FrontSteps CoC)	25	22	47	Construction
Summit Housing Partners	Marshall Apts	20	80	100	Pipeline
Village on Little Texas, LLC	Retreat at North Bluff	6	110	240	Construction/ Occupied
Total		130	352	606	

*Please note the following changes to the previous PSH pipeline table: A technical error resulted in double counting of Continuum of Care leased units by Caritas and FrontSteps at Arbor Terrace and Treaty Oaks respectively. The numbers in parentheses are the gross number of units. Furthermore the Lifeworks project has been removed from the pipeline because it did not receive funding for FY2010-11. They have resubmitted a proposal for FY2011-12 funding.

NHCD continues to prioritize the creation of permanent supportive housing units through scoring criteria in its Rental Housing Development Assistance (RHDA) Program in FY 2011-12. To ensure that recipients of funding for projects with proposed PSH components comply with the City's PSH standards, NHCD has begun to require development and completion of the following items through written agreements with developers receiving RHDA funding for PSH: Tenants' rights policy; reasonable criminal background policy; qualified referral source(s) for tenants utilizing frequent user or vulnerability index as well as other procedures designed by the City in an effort to promote and increase affordable housing throughout the Austin community. In addition, NHCD and HHSD has continued to collaborate on a number of ancillary activities to support the implementation of the PSH strategy, including supporting the Leadership Committee on Permanent Supportive Housing Finance, training and technical assistance for PSH providers, an evaluation component, and community engagement and education.

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Leadership Committee on Supportive Housing Finance

On March 10, 2011, the City Council adopted the City of Austin Permanent Supportive Housing Strategy as a working document and authorized the City Manager to facilitate the Leadership Committee on Supportive Housing Finance with the intent to “work together to review and analyze the report given to Council; and recommend a comprehensive public and private financing strategy for the City Council to consider for action; and provide Council with quarterly updates on their progress beginning in May 2011.

The first meeting of the Leadership Committee was held on May 5, 2011. The committee is comprised of representatives from the City of Austin, Seton Hospital Network, the Housing Authority of the City of Austin, Travis County, Central Health, ECHO, the Housing Authority of Travis County, Austin Travis County Integral Care, Religious Coalition for the Homeless, Downtown Austin Alliance, and the U.S. Department of Veterans Affairs. The committee plans to present a plan identifying funding strategies for capital, operational and service expenses by the end of calendar year 2011.

Community Engagement Plan

In January 2011, City Council requested that the City Manager offer an overview of the “best practices from other cities on engaging communities and building support for permanent supportive housing projects.” The resulting presentation, offered to the Comprehensive Planning and Transportation Subcommittee on March 7th, outlined strategies for a Community Engagement Plan to inform and involve stakeholders.

In order to expand on the March presentation, build on the best practices identified in it, and offer detailed action steps and timelines to ensure that the goal of establishing 350 units of PSH by 2014 is realized with strong community support, a team comprised of NHCD, Travis/County Health and Human Services Department, City’s Corporate Public Information Office and the Planning and Development Review Department’s Neighborhood Advisor have begun designing and implementing a community education campaign to engage and dialogue with the community about supportive housing.

The City’s team has engaged stakeholder groups throughout the community including neighborhood organizations, faith-based agencies, the business community, housing and service providers, and current tenants of PSH to weigh in on strategies and best practices the City of Austin can implement to enhance community engagement practices in an effort to promote and increase affordable housing stock throughout Austin. The feedback from these stakeholder meetings and subsequent workshop will assist in developing Good Neighbor Guidelines. The objective of the Good Neighbor Guidelines is to standardize neighborhood notification procedures and community relations plans for city-funded housing developments, including

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those that contain permanent supportive housing units. The guidelines will be finalized by the end of 2011.

The City is partnering with the Ending Chronic Homelessness Coalition (ECHO) on an initiative to provide further education and awareness on ending homelessness and the need for permanent supportive housing in our community called the 100 Homes Campaign, which is part of a nationwide effort to find homes for 100,000 of the most vulnerable chronically homeless individuals in the country. The City will assist in the local effort to house individuals from this registry that are identified as both physically and/or mentally vulnerable, some of whom may also be frequent users of public services.

Furthermore, the City has created promotional and educational material on permanent supportive housing, begun work on a program website and joined efforts with ECHO's speaker's bureau on homelessness to participate in community meetings and discussions on the topic using key messages developed with stakeholder feedback. Some of the goals of the educational outreach activities include taking a proactive approach to building awareness and understanding of the role of PSH in the City's larger efforts to address chronic homelessness, key characteristics of PSH, and the decision making process behind client selection, unit location, and service provision.

In its request for the March Community Engagement presentation, the City Council recognized "community outreach, education, and collaborative two-way communication as critical components to the success of Austin's permanent supportive housing strategy." Maximizing these critical components of outreach, education, and communication are guiding principles of this Community Engagement Plan. Additionally, this PSH Community Engagement Plan embraces the best practice components of a "No Loser" approach, comprehensive community campaign, and neighborhood-level engagement.

In addition, to be responsive to concerns raised by residents about the City's overall PSH initiative, NHCD conducted an internship project to perform research and analysis of the impact of supportive housing on surrounding property values in three geographic regions throughout the City of Austin. The findings support other national research that there was no conclusive evidence that PSH results in the decline in neighboring property values. Research determined that when negative effects do exist, there is little impact – the magnitude of the affect of affordable housing on property values is minute when compared with other factors that influence property values.

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2) ENCOURAGE PRIVATE SECTOR DEVELOPMENT OF AFFORDABLE HOUSING

a) Developer Incentives

The City of Austin has created several key developer incentive programs to encourage the development of affordable housing and target affordable housing to create denser developments located close to transit and other amenities. There are several programs in place that offer various incentives or entitlements in exchange for community benefits, including affordable housing. They include:

1. *S.M.A.R.T. Housing™*

The City Council adopted the S.M.A.R.T. Housing™ Ordinance in April 2000 to encourage 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.

The policy stipulates that all S.M.A.R.T. Housing™ certified single-family ownership units meet visitability standards reflected in the City's Visitability Ordinance. All multi-family developments must comply with federal, state and local accessibility standards, and at least 10 percent of the multi-family housing units must be accessible. Developments that meet these and other prerequisites are given expedited review under the City's development process and reductions/exemptions for certain development and construction fees. S.M.A.R.T. Housing™ provides a vehicle to achieve neighborhood support for housing that serves low- and moderate-income residents by requiring applicants to meet with neighborhood organizations prior to filing an application for a zoning change.

In 2008, recommendations from the Council-appointed Affordable Housing Incentives Task Force (AHITF), some of which applied to S.M.A.R.T. Housing™, were incorporated into the City of Austin's Land Development Code. The City Council has adopted Land Development Code amendments that allow density bonuses in certain single-family and/or multi-family S.M.A.R.T. Housing™ developments without a zoning change. In addition, downtown developments that request and receive additional zoning entitlements must provide a percentage of affordable housing units or pay a fee-in-lieu to fund affordable housing in or near the downtown area.

The goal of the S.M.A.R.T. Housing™ Program for FY 2010-11 was to complete 700 new single-family and multi-family units. At the end of September 2011, 947 total units had been completed, exceeding the annual goal by 35 percent. In addition, NHCD set another goal for the S.M.A.R.T. Housing™ Program, that 40 percent of the units would serve households earning at or

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below 80 percent of MFI. At the end of the fiscal year, 80 percent of the units completed will serve households at or below 80 percent MFI.

2. *Vertical Mixed-Use (VMU)*

The City Council adopted changes to the Commercial Design Standards regarding Vertical Mixed Use in 2007. Developers who want exemptions from certain dimensional and parking standards must provide 10 percent of the units as affordable housing for 40 years for rental and 99 years for ownership. During FY 2010-11, two VMU projects generated 32 units serving housing households earning at or below 80 percent of MFI: 5350 Burnet Road and 5117 N. Lamar.

3. *North Burnet/Gateway*

This low-density neighborhood is being transformed into a high-density bonus neighborhood with incentives, whereby developers can receive a density bonus and must provide 10 percent affordable housing or pay a fee-in-lieu (currently \$6/square foot).

4. *University Neighborhood Overlay (UNO)*

The City Council adopted Ordinance No. 040902-58 on September 2, 2004, establishing the University Neighborhood Overlay (UNO) zoning district, which includes a density bonus based on the provision of affordable housing. The ordinance allows for the adoption of an "opt-in" zoning overlay in the West campus area to allow for greater density and development entitlements in exchange for a set-aside of affordable housing units.

UNO requires two tiers of affordability, 10 percent of units for households earning at or below 80 percent of MFI and another 10 percent at or below 65 percent of MFI. The developer has the option to pay a fee-in-lieu of providing the units at or below 65 percent of MFI. In addition, units at or below 80 percent of MFI must be on-site. This funding source is one of several identified in this annual Action Plan that allows for the creation and retention of affordable housing, specifically in the UNO zoning district.

To date, UNO is one of the City of Austin's most successful density bonus programs. Since inception, \$1,058,253 has been collected as fees-in-lieu for the UNO program. These funds are available to develop affordable units within UNO boundaries. To date, a total of 117 units have been constructed at 50 percent MFI, 10 units at 65 percent MFI, and 357 units at 80 percent MFI.

UNO Fee-in-Lieu Potential Adjustment

While the UNO program has been successful in creating affordable units and generating funds for the Housing Trust Fund, it also has lower fee-in-lieu compared to other density bonus programs in the City. Through a resolution, the City Council directed the City Manager to work with stakeholders to make

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recommendations on a potential revision to the calculation of the fee in-lieu and initiate the necessary code amendments.

Stakeholder Process

As a first step to the potential revision process, there were two stakeholder meetings held in September 2010. These were hosted by NHCD and the City's Planning and Development Review Department (PDR) and focused on possible revisions to the fee-in-lieu within the UNO district, as well as a possible provision for annual adjustment based on current and future market conditions. NHCD staff provided a summary of the public input to both the Community Development Commission (CDC) and the Planning Commission. Both, CDC and Planning Commission requested that the City hire a consultant for an economic analysis of how adjustments to the fee-in-lieu would impact the feasibility and production of the UNO density bonus program before both boards make an official recommendation on revising the fee-in-lieu.

The City contracted with the firm Economic & Planning Systems (EPS) for this economic analysis. EPS worked with key stakeholders and commissioners, and presented the findings and recommendations on the fee-in-lieu to the CDC and Planning Commission, as well as City Council subcommittee members. In August 2011, the CDC made a final recommendation to raise the fee-in-lieu from \$0.50 to \$5.00 per bonus square foot. As of the end of FY 2010-11, the Planning Commission has yet to make their final recommendation. To date, a Working Group comprised of UNO stakeholders and neighborhood leaders to discuss revisions to the fee-in-lieu, as well as revisions to other components of the UNO Ordinance as a whole. As of the end of FY 2010-11, this Working Group has come close to arriving at consensus about recommended changes, and plans to present these to Planning Commissioners at the beginning of FY 2011-12. If it is determined that there will be a revision to the fee-in-lieu, the new fee-in-lieu will be implemented in FY 2012-13.

5. *Transit-Oriented Development (TOD)*

In 2005, the City Council adopted the Transit-Oriented Development (TOD) Ordinance, establishing station areas for the Capital Metro commuter rail line. 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 implement 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 earning at or below 80 percent of MFI for homeownership or at or below 60 percent of MFI for rental. Other sub-goals also apply, including a goal to serve lower-income levels within the Central East Austin Community Preservation and Revitalization Zone (CP&R), also established by the City Council in 2005.

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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 hired a consultant to produce a housing affordability analysis and feasibility study for these sites. In addition, City Council directed staff to develop illustrative development scenarios that reach deep affordability on city-owned land within TODs. The City Council adopted the following three station area plans:

1) Saltillo Station Area Plan – The Saltillo TOD district is located close to downtown Austin, between Interstate 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. Saltillo Station Area's Neighborhood Planning Areas: Cesar Chavez, Central East Austin, and Holly Neighborhood.

On December 9, 2010, the City Council approved the Bonneville Mixed Use project, which is located within the Saltillo TOD district. The project is expected to include townhome condominiums with ground floor retail on a site a little over half an acre in size. In lieu of providing affordable housing units on-site, the developers of the Bonneville Mixed Use project have agreed to pay the fee-in-lieu of \$10.00 per bonus square foot that the developer is receiving from the TOD Density Bonus program (also approved by City Council on December 9, 2010). This fee totals \$114,000, and will be put into the city's Housing Assistance Fund and administered by NHCD. This fund will go towards providing affordable housing in Austin citywide.

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. City analysis shows that due to high land prices and a lack of publicly-owned properties in the area, the affordable housing goals will be challenging to achieve in the MLK TOD. With strong support from City Council and staff, Foundation Communities, a non-profit affordable housing provider, secured a commitment Low Income Housing Tax Credits and substantial local funding to acquire 8.5 acres and build a 150-unit mixed-income apartment complex within the MLK TOD boundaries. The development will also include an on-

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site daycare. MLK Station Area's Neighborhood Planning Areas: Chestnut and Rosewood, Upper Boggy Creek, and MLK Neighborhood.

3) Lamar/Justin Station Area Plan – The Lamar/Justin TOD district is located at the intersection of Justin Lane, Airport Blvd. and North Lamar Blvd. 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. Lamar/Justin Station Area's Neighborhood Planning Areas: Crestview, Brentwood, and Highland Neighborhoods.

TOD Catalyst Study

During the plan adoption process, the City Council directed staff to report on the potential for creating high quality, mixed-use, affordable development within TOD sites, in order to bring more housing affordable to a mix of incomes in close proximity to transit and other destinations. In response to Council's direction, NHCD hired and worked closely with a consultant in 2010 to prepare a report on scenarios for affordable housing opportunities for city-owned sites in the Plaza Saltillo and Lamar/Justin TODs.

The report, "Multifamily Housing Development Evaluation for Transit Oriented Development: Catalyst Projects," provides estimates on the number and type of affordable housing units that could be developed on the two City-owned sites; determines the financial feasibility of various projects; and addresses the City's ability to meet/exceed the TOD affordability goal of 25 percent of new housing units. It also outlines tradeoffs in various scenarios and shares estimates of the public financial investment that would be required. The full report can be viewed at www.austintexas.gov/housing/publications. Because development of affordable housing on City-owned sites would require significant funding from multiple City departments, the City has recommended further study and community dialogue, as well as identifying the necessity for additional public and private funding, before existing city services on these sites are relocated and development plans move forward.

b) Incentive Programs Under Creation

In addition to the developer incentive programs already in place, there are two more that are in the process of being created in the City of Austin. These are the Downtown Density Bonus program and the East Riverside Corridor Density Bonus program.

1. *Downtown Density Bonus*

The City Council adopted a resolution directing the City Manager in December 2005 to initiate the process of creating a Downtown Austin Plan. The City's Planning and Development Review Department (PDR) is the lead department for the Downtown Austin Plan. The City Council held a public hearing to

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receive comments on the draft Downtown Austin Plan and approved the report on October 6, 2011. As part of the plan, there will be a Downtown Density Bonus program that will replace the current optional downtown density bonus ordinance that includes an affordable housing component. It is a city priority that downtown Austin remains affordable for a diverse range of incomes and household types, including low to moderate-income households that make up much of the critical workforce that works downtown. Although the details of the density bonus program are not yet finalized, the following six fundamental principals have been established by the Downtown Austin Plan:

- Density should be encouraged, not penalized.
- Existing zoning should be retained as the base for the density bonus program.
- High quality urban design should be required of all development.
- There should be one administrative and predictable pathway to a density bonus.
- Additional density should be allowed only where appropriate and compatible.
- Community benefits derived from density bonuses should be focused on the most “at-risk” elements.

NHCD will continue to assist PDR staff and affordable housing advocates from the community to create a density bonus program in an effort to incentive affordable housing development for low- to moderate-income households. Once the City Council formally adopts the Downtown Austin Plan, PDR staff will request direction to move ahead with code amendments that would put in place the Density Bonus Program.

2. *East Riverside Corridor Density Bonus*

East Riverside Drive is a highly traveled corridor located a few minutes from downtown Austin. The corridor presents a significant opportunity for redevelopment into a more sustainable, mixed use, transit-oriented neighborhood that can provide opportunities for a diverse range of Austinites, including low- to moderate-income households. Currently, the City has moved into the Regulatory Planning stage of the East Riverside Corridor plan, which may include a Density Bonus program for redevelopment in the Corridor. The East Riverside Regulatory Plan, which will include the details of the Density Bonus program, is scheduled to be reviewed by Planning Commission and City Council in late winter/early spring 2012.

c) **Affordability Impact Statements (AIS)**

Chapter 25-1, Article 15 of the City of Austin’s S.M.A.R.T. Housing™ Ordinance requires an Affordability Impact Statement (AIS) on proposed ordinances, rules or processes that could impact housing affordability. As part of the S.M.A.R.T. Housing™ Ordinance, staff prepares an Affordability Impact

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Statement (AIS) for all proposed city code amendments and other changes to identify any potential impacts on housing affordability. This analysis ensures that the City Council and the community are informed on an amendment's potential impact on housing affordability. To date, the City of Austin has issued more than 120 Affordability Impact Statements (AIS).

d) Public/Private Partnerships

In FY 2010-11 the City continued to explore partnerships with private entities to develop affordable housing. Partnerships with private developers offered multiple public benefits, such as mixed-use, mixed-income developments, and increased density. Such partnerships can allow low-income households to locate near schools, amenities, employment opportunities, and public transportation.

East 11th and 12th Streets Urban Renewal Plan

Under Chapter 374 of the Texas Local Government Code, the City in partnership with the Urban Renewal Agency (URA) carries out the East 11th and 12th Streets Urban Renewal Project. URA was created on December 7, 1959, to serve six urban renewal areas. Two plans which remain active are the East 11th and 12th Streets Plan and the University East Plan. The City of Austin and the Urban Renewal Agency have entered into an interim agreement to continue moving the revitalization efforts forward for the area. A long-term agreement between these two parties was planned to be completed by summer 2011; however, extensions to the interim agreement were executed and are set to expire in December 2011.

The East 11th and 12th Streets Plan defines specific redevelopment projects and associated regulatory controls intended to assure quality, compatible, and mixed-use development along the East 11th and 12th Street Corridors. East 11th Street is envisioned as a visitor-oriented destination with three to five story buildings that provide entertainment and office space, attracting local residents and customers from the Austin metropolitan area. East 12th Street is envisioned as a mixed-use area with a variety of small-scale, live-work environments with combined office, retail and residential uses that serve the immediate area.

East 11th and 12th Streets Neighborhood Conservation Combining District

The City of Austin created two Neighborhood Conservation Combining Districts (NCCD) to assist with the implementation of the East 11th and 12th Streets redevelopment. The NCCD's purpose is to establish development regulations for unique neighborhoods in order to preserve their traditional character. The NCCD defines boundaries and sets standards for redevelopment that are compatible with the unique character of each neighborhood. In addition, the NCCD is a zoning tool that modifies the City's Land Development Code, customizing development standards and waives certain development fees for the East 11th and 12th Street Corridors.

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East 11th and 12th Streets Development Study

The City of Austin has commissioned a consultant to provide a development strategy for the East 11th and 12th Street Corridors. This strategy will provide a framework for the development of a mixture of commercial, retail and residential within these two corridors. The consultant will conduct a market analysis of the area to evaluate what type of development the area can absorb, conduct an assessment of the current infrastructure, and identify strategies to implement neighborhood priorities and the long desired revitalization of East 11th and 12th Streets. The consultant is working with City staff, key stakeholders and community members to ensure the development strategy reflects the priorities of all parties. Completion of the strategy is scheduled for January 2012.

On September 21, 2011, the consulting team held an Open House and Community Meeting, which was attended by roughly 100 people, launching the East 11th and 12th Streets Development Strategy.

Robert Mueller Municipal Airport Redevelopment

A key public/private partnership for the City has been the Robert Mueller Municipal Airport Redevelopment (RMMA). The RMMA Master Plan was the result of years of planning by the City of Austin, stakeholders, and neighborhood residents. In 1996, a task force representing a broad spectrum of Austin interests defined a vision, as well as a set of redevelopment goals that set the stage for the RMMA master plan. The master plan outlines aggressive affordable housing requirements for the development. 25 percent of all housing units at Mueller, or approximately 1,200 units, will be affordable for residents making below Austin's MFI. In 2004, the City Council, directed Catellus, the master developer, to semi-annually report its progress on the Mueller affordable housing program. Catellus makes semi-annual presentations to the Community Development Commission (CDC). The City Council adopted resolution also directs Catellus to report progress of affordable housing development in the City's Consolidated Planning process. Appendix V includes these reporting requirements with the inclusion of the Mueller Affordable Housing Plan and the current semi-annual update from May 2011.

45 single-family units were completed in FY 2010-11; 12 out of the 45 units serve households at or below 80 percent of MFI or below. No multi-family units came online during the fiscal year.

Private Developer Agreements

The City continued to negotiate the inclusion of affordable housing in developer agreements with market-rate developers. Development agreements have included Gables West Avenue (5 percent, or 13 units, at 80 percent MFI); Robertson Hill Apartments (10 percent, or 29 units, at 80 percent MFI); the Domain (10 percent, or 42 units, at 65 percent MFI); AMLI

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on 2nd (5 percent, or 12 units, at 80 percent MFI); AMLI on East Riverside (5 percent, or 3 units, at 80 percent MFI), and AMLI on Burnet Road (5 percent, or 9 units, at 80 percent MFI). These units must remain affordable through 2020. These projects have brought affordable housing into developments that would otherwise be unaffordable to low- and moderate-income households.

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3) EXPAND ALTERNATE REVENUE SOURCES

a) General Obligation (G.O.) Bonds: Affordable Housing Program

The City of Austin voters approved a \$55 million bond package for affordable housing in November 2006. These resources have enabled Austin to make great strides in addressing the City's core values: reaching deeper levels of affordability in order to serve lower-income residents; preserving affordability for the long-term; and dispersing affordable housing geographically throughout the City of Austin.

As of September 30, 2011, \$49.1 million G.O. Bond funding has been expended or committed out of the \$55 million bond package received in November 2006. This funding has been used to further the development of affordable rental and ownership housing opportunities for Austin's low-to moderate-income citizens. The City of Austin's return on investment has resulted in 1,650 affordable units for rental and homeownership opportunities. In addition, 592 households received home repair assistance through city-wide programs funded with G.O. Bond funding. A web site highlighting the committed G.O. Bonds allocated to affordable housing and the community's Return on Investment (ROI) related to its G.O. Bond funds dedicated to the affordable housing program was designed and launched in 2010. The site demonstrates the community return on investment and features award applicant information and development profiles (units created or retained for low-income residents), as well as a description of affordable housing impact, term and depth of affordability, and geographic dispersion of project. Summaries of all G.O. Bond projects can be found at the City's Return on Investment (ROI) web site: www.austintexas.gov/housing/roi.

NHCD is requesting the remaining \$6.6 million balance of G.O. Bonds funds in FY 2011-12.

b) Tax Increment Financing

The City considers Tax Increment Financing (TIF) to be an important tool to create new revenue for public benefit, including affordable housing. During the remaining program years in the FY 2009-14 Consolidated Plan, the NHCD will continue having dialogue with partners and will exploring resources to use TIFs to increase opportunities for new funding for affordable housing. The Homestead Preservation District (HPD) proposes to utilize TIF funding for the creation and preservation of affordable housing.

Homestead Preservation District

Authored by State Representative Eddie Rodriguez, the Texas Legislature passed House Bill (HB) 525 during the 79th Texas Legislative Session in 2005. This bill authorized the creation of a Homestead Preservation District (HPD) in order to "prevent the displacement of working and retired, lower-income individuals and households from East Austin." The bill was encoded in state

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statute as Chapter 373A. The legislation provides for tools preserving housing affordability, including a Community Land Trust (CLT), a land bank and a Tax Increment Financing (TIF) reinvestment zone. HB 470, passed by the 80th Texas Legislative Session in 2007, amended 373A per requests from City of Austin and stakeholders to create a more usable tool.

The City Council directed staff to explore a city-wide homestead land bank In October 2008. Based on the requirements of the initial legislation, only a limited number of parcels met the qualifications of property to be included in the proposed land bank.

In the 82nd Texas Legislative Session, HB 2197 was proposed that would increase the potential properties eligible for the HPD land bank by including unoccupied structures and modifying the formula to determine eligible properties. The City of Austin testified in support of this bill. The bill passed the House but stalled in the Senate and was not finally passed.

Another bill, HB 990, was also proposed in the 82nd Texas Legislative Session. This bill involves the Tax Increment Fund (TIF) component of the Homestead Preservation District (HPD), and directed Travis County to pay into the fund for the reinvestment zone the same percentage of the tax increment produced by the county that the municipality pays into the fund. The bill was passed by both Chambers; however, on June 17, 2011, the Governor vetoed HB 990.

c) Housing Trust Fund

The Housing Trust Fund is another key source of local funding. The City Council directed \$8.8 million in local funds to the Housing Trust Fund (HTF) since 2000. The City dedicates to this fund 40 percent of all incremental tax revenues derived from developments that are built on city-owned property located in the Desired Development Zone and were not on the Travis Central Appraisal District property tax rolls in June 1997. This policy is anticipated to generate revenues in perpetuity to the HTF. The two projects underway that will potentially support the HTF are the Green Water Treatment Plant redevelopment and Block 21 located in downtown Austin on 2nd Street and Lavaca Street.

The Austin Housing Finance Corporation (AHFC) provided assistance in FY 2010-11 to the Treaty Oaks Apartments made possible through Housing Trust Fund (HTF) combined with G.O. Bond funding assisted with the Treaty Oaks Apartment. Treaty Oaks Apartment is a partnership between Green Doors and the City to acquire and rehabilitate a 47-unit apartment complex on Manchaca Road. The units will be leased to individuals and households earning incomes at or below 50 percent of MFI. Treaty Oaks will house formerly homeless individuals, including veterans, persons at risk of homelessness, and very low-income working households. Green Doors has

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committed to providing 24 units of Permanent Supportive Housing at Treaty Oaks. Renovated units were being leased up by the end of FY 2010-11.

d) Shared Equity

The City generates funds from the use of the shared equity model of homeownership. When a low- to moderate-income homebuyer purchases a home from the City using the shared equity model, the homeowner agrees to share with a City a portion of the equity increase of the home at resale and to repay the Down Payment Assistance funds originally received at purchase. The homeowner gets a fair return on its investment, and the funds generated will assist future low- to moderate-income homebuyers. A “Right of First Refusal” allows AHFC the first option to buy the home at resale for the appraised value.

AHFC programs that apply the shared equity model include: Down Payment Assistance Program (DPA), Home Rehabilitation Loan Program (HRLP), and the Acquisition and Development (A&D) Program.

Several of NHCD leadership participated in a refresher workshop for HOME Resale and Recapture in FY 2010-11. The training focused on the basics of the resale and recapture requirements for homebuyer programs that are funded through the HOME Investment Partnership Program. NHCD reviewed its three programs to ensure that the established program guidelines continue to encompass all resale and recapture provisions and explored possible enhancements and improvements.

e) Fee-In-Lieu

Several key developer incentive programs in the City of Austin require development of affordable housing in exchange for density and/or height bonuses. These programs can allow for the payment of a fee-in-lieu of the requirement to develop affordable housing on-site.

Current districts/corridors allow for density incentives in S.M.A.R.T. Housing™ developments, Vertical Mixed-Use, Downtown, North Burnet/ Gateway, University Neighborhood Overlay (UNO) District, and Transit-Oriented Developments (TODs). UNO has raised approximately \$1 million in funds for affordable housing development around the University of Texas. While the UNO program has been successful in creating affordable units and generating funds for the UNO Housing Trust Fund, it also has a lower fee-in-lieu compared to other density bonus programs in the city. The program is the only density bonus program designed to generate both affordable housing units and a fee-in-lieu. In December 10, 2009, the City Council directed the City Manager through a resolution to work with stakeholders to make recommendations on a potential revision to the calculation of the fee in-lieu and initiate the necessary code amendments.

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f) Revolving Loans

The City uses revolving loans for several loan programs that provide a revolving funding source. When a loan is repaid by the borrower, the funds are recycled back into the program creating a fiscally responsible model for asset creation for the City.

g) Program Income

HUD entitlement grants CDBG and HOME provide funding to the NHCD/AHFC to fund program activities that create and retain affordable housing. These activities generate Program Income.

CDBG and HOME Program Income is gross revenue received by the City of Austin that is directly generated by the use of CDBG and HOME funds. CDBG Program Income is available to activities that do not have established revolving loan funds. The City of Austin continued to report Program Income in FY 2010-11. To view the uses of Program Income for this fiscal year, visit Chapter 2.

h) Revenue-Generating Partnerships with other City Departments

As part of the Austin Clean Water Program, the Austin Water Utility tests for deficient sewer lines including private laterals. Laterals are the sewer lines on private property that connect to the City's sewer system. Property owners are required to repair deficient sewer lines on their property. In FY 2010-11, NHCD began dialogue with Austin Water Utility to explore a partnership in administering a private lateral repair program to assist income-eligible households with these repairs as a component of NHCD's other home repair programs. NHCD anticipates finalizing an agreement with the Austin Water Utility in FY 2011-12 on this project.

i) Potential New Funding Sources

NHCD continued its efforts to increase its financial capacity by applying for competitive grant opportunities. Through additional grant funding, NHCD will be able serve expand offerings for very-low to moderate-income individuals and households. The City has applied or plans to apply for the following grants:

- *Lead Hazard Reduction Demonstration Grant Program*

The City of Austin applied for grant funding through HUD for Lead Hazard Reduction Demonstration Grant Program. This grant will fund the City's LeadSmart program. The LeadSmart Program began in 2003, when the City received its first grant award of \$1,851,741 from HUD for lead remediation services. A total of 117 houses occupied by low-income households received services between February 1, 2003 and December 31, 2005. In 2007, HUD awarded \$3,761,662 to the City to re-start the Lead Hazard Control Program. From this grant award, a total of 200 houses occupied by low- to moderate-income households received services between March 2007 and February 2011.

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NHCD received notification in September 2011, that the City of Austin was awarded \$2.5 million to evaluate 180 homes for the presence of lead. IN addition, NHCD will use the grant funding to conduct extensive outreach and education. NHCD began highlighting the new funding and the LeadSmart Program and services through several media outlets.

- o *Section 108*

The City of Austin applied for Section 108 of Title I of the Housing and Community Development Act of 1974, as amended, in FY 2010-11. These funds will be used as the City's contribution to the Family Business Loan (FBLP), a public-private partnership loan program that provides fixed-asset and working capital loans to qualified small-business borrowers in Austin.

NHCD received notification that the City of Austin was awarded \$3 million in Section 108 funding. Fund will be used for the FBLP. An additional Notice of Available Funding (NOFA) to apply for \$4.5 million in Section 108 funding will be released before the end of 2011. The City of Austin anticipates applying for these funds.

j) Build Partnerships to Increase Financial Capacity for Affordable Housing

The City of Austin continued to work with local, regional and national partners to build its financial capacity as well as the capacity of non-profit and private developers to create affordable housing. NHCD is committed to exploring partnerships that will increase opportunities for more affordable housing.

In FY 2011-12, NHCD is exploring working with lenders and foundations to strengthen financial partnerships and encouraging the development of a strong Community Development Financial Institution (CDFI) in Austin. The City will continue to look at financially viable recommendations including those identified in the Housing Market Study and in the Downtown Affordable Housing Strategy Report, 2009.

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4) PROVIDE LEADERSHIP AND EDUCATION FOR AFFORDABLE HOUSING AND COMMUNITY DEVELOPMENT

The City of Austin's Neighborhood Housing and Community Development (NHCD) Office provides leadership and education for affordable housing and community development through City initiatives, education, community engagement, and marketing and outreach of programs that NHCD offers.

a) City of Austin Initiatives

Imagine Austin Comprehensive Plan

The City Council identified funding for staff and a consultant to work with the public to create a new Comprehensive Plan for Austin in September 2008. The City selected the consultant, Wallace Roberts & Todd, through a public input process. The current plan, the Austin Tomorrow Comprehensive Plan, which the City currently operates, was adopted in 1979. The most recent updates to the plan occurred in 2008.

The process of developing the City's Comprehensive Plan is expected to be a two-year process. This process has been divided into three phases: the Plan Kickoff, completed in October 2009; the Vision and Plan Framework process, which began in November 2009 and is on-going; and the Comprehensive Plan itself, which began in early 2011. This process will focus on three key themes: Community Engagement, Sustainability, and Implementation.

To date, the City, in collaboration with the community and key stakeholders, has developed a vision statement for the Comprehensive Plan, as well a preferred growth scenario. The City Council has formally endorsed the vision statement, and has moved the preferred growth scenario forward for Phase III of the Imagine Austin planning process. The City's Planning and Development Review (PDR) Department will continue with Phase III in FY 2011-12. For Phase III, staff at PDR has identified seven main building blocks that will be addressed in the Comprehensive Plan document. For each building block, a set of strategies and action items have been developed using feedback from past public meetings and recommendations from the consultants. At the beginning of FY 2011-12, the City with assistance from Wallace Roberts & Todd, finished drafting the Comprehensive Planning document itself, and the draft is now undergoing review from the public, city staff, and Task Force members before it is adopted by City Council.

NHCD provided input to PDR on components related to affordable housing in the Vision and Plan Framework process, and will continue providing housing affordability information to contribute to the development of the plan. NHCD's Planning, Policy, and Outreach staff serves as members of the Housing and Neighborhoods Building Block Working Group, and regularly attend meetings to provide input on any action items needed to address Austin's critical housing issues.

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NHCD will continue to assist as needed in the Housing and Neighborhoods component of the Imagine Austin Comprehensive Plan, and will review and provide input on the Housing and Neighborhoods component as the plan further develops in FY 2011-12, especially as the plan moves into the Implementation Phase.

Quality of Life Initiatives

The City of Austin continues to explore ways to improve the quality of life for all residents. The City has initiatives underway to improve the quality of life for African American and Hispanic residents. NHCD participated in planning processes for these initiatives and implemented Council-approved recommendations related to housing and community development.

African American Quality of Life

The City of Austin launched the African American Quality of Life Initiative (AAQL) in 2005 to improve African American quality of life, identifying areas for improvement and resulting in a number of significant recommendations. The African American Resource Advisory Commission (AARAC) recommended to the City Council in April 2008 that the City conduct a public hearing on the use of federal economic development funding. NHCD held a joint public hearing before the Community Development Commission (CDC) on March 8, 2011 as a part of its annual Action Plan process. NHCD also conducted enhanced outreach for the FY 2011-12 Action Plan public hearings and hired a NHCD Outreach Coordinator to perform door-to-door canvassing along East 11th and 12th Streets inviting small business owners, local partners, and the community.

NHCD provided a progress report to the AARAC in May 2011 addressing ten items under the Neighborhood Sustainability Initiative outlined the 2008 *Addressing Community Needs Together* report. NHCD will continue to support the AARAC in FY 2011-12 as they continue to move forward with their efforts in improving quality of life for the African American community.

Hispanic/Latino Quality of Life Initiative

On May 8, 2008, the City Council approved a resolution initiating the Hispanic/Latino Quality of Life (HQL) Initiative. This became a multi-phased process and includes demographic research, trend and data analysis; community engagement and understanding through public forums; community input using print and online surveys; and oversight team review culminating in a final recommendations report. The City of Austin contracted with consulting firms Adelante Solutions Inc. and Estilo Communications to assist in the process. The firms presented recommendations to the City Council on August 27, 2009. A recommendation under the Economic Development category addressed the lack of affordable housing, suggesting that the City develop policies to encourage developers to provide additional affordable housing opportunities and evolve traditional housing to meet the

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needs of multi-generational households. The study also recommended increased information sharing on current affordable housing programs and services. The City Council approved resolution creating the Hispanic/Latino Community Oversight Team and appointed members on April 22, 2010.

“Connecting the Dots”

In April 2009, the City, Travis County and Austin Independent School District (AISD) Joint Subcommittee created two work groups to address major issues affecting student success. The Truancy Plus and Student Mobility workgroups focused on causes of student attendance problems, and developed strategies for student and family interventions. NHCD participated in the Student Mobility working group with the recognition that the issues of affordable housing and student mobility are inextricably linked. In 2010, the Joint Subcommittee passed a resolution creating a new Child and Youth Leadership Council to work on a plan to ensure that all children attending Austin Independent School District (AISD) successfully complete high school. The Leadership Council, created by the three agencies, established four task forces with the intent to provide recommendations in advance of the 2011-12 academic year. These task forces are: Mobility Deterrence; Judicial Supports; Workforce Development; and Academics.

NHCD will continue participating in the Mobility Deterrence Task Force and will work with partners in this arena to develop recommendations that can assist in achieving housing stability in order to strengthen households and improve student achievement and overall school performance.

b) Education and Community Engagement

Affordable Housing Forums

The City continued to host quarterly Affordable Housing Forums in FY 2010-11 to enhance coordination and dialogue between industry experts, stakeholders, private developers, housing providers, and public policy makers. These forums served to address barriers and solutions to affordable housing. There were three forums held in FY 2010-11. Below are the dates and topic of each forum:

- October 2010, Linking Community Investments: Affordable Housing and Economic Development
- February 2011, Linking Community Investments: Affordable Housing and Transportation
- May 2011, Linking Community Investments: Affordable Housing and Health
-

For more information about NHCD’s Affordable Housing Forums, visit www.austintexas.gov.org/housing.

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Joint Education Efforts with the City's Planning and Development Review Department

NHCD works closely with the Planning Development and Review (PDR) Department's planning team to participate in neighborhood plan meetings and facilitate affordable housing education. Recent neighborhood meetings include those related to the East Riverside Corridor Regulatory Plan, Imagine Austin Comprehensive Plan, Neighborhood Plans, and meetings with various boards, commissions and subcommittees to promote affordable housing education.

These initiatives will require significant continued education and outreach on crucial housing issues affecting the Austin community. NHCD anticipates assisting in this educational effort, including providing data and research to help the community reach housing goals and strategies for achieving those goals in the next 30 years.

PSH Community Engagement Plan

In January 2011, City Council requested that the City Manager offer an overview of the "best practices from other cities on engaging communities and building support for permanent supportive housing projects." The resulting presentation, offered to the Comprehensive Planning and Transportation Subcommittee on March 7th, outlined strategies for a Community Engagement Plan to inform and involve stakeholders.

NHCD is actively engaged with the overall community, other City departments and stakeholder groups as the PSH initiative and campaign is being implemented.

East 11th and 12th Street Development Study

The City of Austin has commissioned a consultant to provide a development strategy for the East 11th and 12th Street Corridors. This strategy will provide a framework for the development of a mixture of commercial, retail and residential within these two corridors. The consultant will conduct a market analysis of the area to evaluate what type of development the area can absorb, conduct an assessment of the current infrastructure, and identify strategies to implement neighborhood priorities and the long desired revitalization of East 11th and 12th Streets. The consultant is working with City staff, key stakeholders and community members to ensure the development strategy reflects the priorities of all parties. Completion of the strategy is scheduled for January 2012.

On September 21, 2011, the consulting team held an Open House and Community Meeting, which was attended by roughly 100 people, launching the East 11th and 12th Streets Development Strategy.

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NHCD Web Site

The City of Austin is in the process of redesigning its web site. The *Austin Government Online (GO): A New Era of Open Government* – a web site redesign project that was launched in partnership with the community to help achieve a new standard for open government that would benefit everyone. The City issued an online survey taken by almost 2,000 Austin residents. The survey measured how the average Austinite uses the web and how they use the City web site in particular. Six town hall meetings were held throughout Austin during January and February 2008. With high attendance, the town hall meetings served as an opportunity for an open discussion about the future of the City's web site, needs and share ideas on features that could be incorporated into the redesign. For additional information on the Austin GO Web Redesign Project and its progress, visit www.austintexas.gov/austingo.

NHCD staff worked closely with the City's web development team in FY 2010-11 to begin its departmental web site overhaul that will improve its online architect and build on its resources and user-friendly navigation.

NHCD/AHFC's Application Center web site was launched in FY 2010-11 to offer potential clients and housing developers seeking funding an online application submission. The web site was created to provide a more efficient and simplified application process. The effort was also intended to increase transparency on the funding awarded to RHDA and A&D applications. All RHDA and A&D applications submissions are posted online. To view projects awarded funding in FY 2010-11, visit www.austintexas.gov/housing/applications.

Public Speaking Engagements

NHCD received regular requests for keynote presentations and panel representation on affordable housing, community development, economic development and fair housing initiatives in FY 2010-11. Key groups in which NHCD targeted in its community engagement plan in FY 2010-11, included: the overall community; stakeholder groups; officials representing multiple municipalities; housing and small business professionals and professionals representing the lending community.

c) Marketing & Outreach

Resources for marketing, educational outreach, and overall special events planning remain limited – a challenge when many of NHCD's clientele require targeted outreach efforts and initiatives. Due to many of the communication barriers in reaching low-income residents, majority of whom are elderly or low-income residents who do not have access to the Internet or other modern communications tools, NHCD will continue to explore partnerships that are vital vehicles to disseminating information to specific subpopulations that can benefit from housing and economic development services offered by the

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department. NHCD Housing Program staff regularly participates in workshops, fairs and seminars to promote housing services and with clients or interested residents and professionals.

Below is a list of program outreach events that NHCD and AHFC staff hosted or participated in:

- October 2010, *Holly Neighborhood Gathering* – Marketed Holly Good Neighbor and home repair programs and services.
- October 2010, *National Night Out* – Marketed all AHFC housing services and programs.
- October 2010, *Realtor Training on Down Payment Assistance (DPA) Program Training* – Three on-site training opportunities.
- November 2010, *Holly Neighborhood Gathering* – Marketed Holly Good Neighbor and home repair programs and services.
- November 2010, *City Career Fair and Expo* – Marketed all AHFC housing services and programs.
- December 2010, *City Manager's Walk in Montopolis Neighborhood* - Marketed all AHFC housing services and programs.
- February 2011, *Home Repair Program Outreach in Montopolis Neighborhood* - Marketed home repair program and services.
- February 2011, *City of Austin's Employee Home Showcase* – Showcased model homes for City of Austin employees to encourage pre-sales.
- March 2011, *NHCD Developer Stakeholder Meeting* – Opportunity for developers and stakeholders to provide input on customer and community needs in light of funding constraints.
- March 2011, *City of Austin's Health and Life Style Expo* – Marketed all AHFC housing services and programs.
- March 2011, *Holly Neighborhood Gathering* – Marketed Holly Good Neighbor and home repair programs and services.
- March 2011, *Community Event in Dove Springs* – Marketed all AHFC housing services and programs.
- March–July 2011, FY 2011-12 Action Plan – five public hearings, six neighborhood gatherings, and eight enhanced outreach opportunities.
- April 2011, *City of Austin's Dare to be Fair 2011 Fair Housing Conference* – Marketed all AHFC housing services and programs.
- April 2011, *Austin Tenants' Council Housing Fair* – Marketed all AHFC housing services and programs.
- April 2011, *Dove Springs Neighborhood Gathering for FY 2011-12 Action Plan* – Marketed all AHFC housing services and programs.
- April 2011, *Proclamation for CDBG Week* – Austin City Council highlighted NHCD's efforts through CDBG funding.
- May 2011, *Mail-Out to South Austin Residents* – Marketed the Home Rehabilitation Loan Program (HRLP) and home repair services and programs.

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- June 2011, *Housing Works Affordable Housing Tour* – Marketed all AHFC housing services and programs.
- June 2011, *Lenders Training on DPA* – On-site training opportunity.
- June 2011, *Realtor Training on DPA* – On-site training opportunity.
- June 2011, *Juneteenth Celebration* – Marketed all AHFC housing services and programs.
- June 2011, *Mail-Out to North Austin Residents* – Marketed the Home Rehabilitation Loan Program (HRLP) and home repair services and programs.
- July 2011, *Community Meet-and-Greet* – Marketed all AHFC housing services and programs.
- July 2011, *Communities Coming Together: Living Tobacco Free Conference* – Marketed all AHFC housing services and programs.
- September 2011, *City of Austin's Health Expo* – Marketed all AHFC housing services and programs.
- September 2011, *Community Resource Fair* – Marketed all AHFC housing services and programs.
- September 2011, *11th and 12th Street Corridor Meeting* - Community meeting launching the East 11th and 12th Streets Development Strategy.

LeadSmart Outreach

The City of Austin continued marketing efforts for the LeadSmart Program in order to increase community awareness. Though the City's Lead Hazard Control Grant funding expired in February 2011, NHCD continued to conduct significant outreach promoting the program and services. The marketing plan for FY 2010-11 included: promotion of LeadSmart stories and events to media outlets, postcards to residences, yard signs, and door-to-door canvassing to reach potential program participants and events. In FY 2010-11, staff participated in 14 events related to LeadSmart which included: booths at festivals, fairs, neighborhood centers; presentations; door-to-door canvassing; newspaper, radio and television advertising.

The City applied for additional grant funding in FY 2010-11 through HUD for the Lead Hazard Reduction Demonstration Grant Program and was awarded \$2.5 million in September 2011 to evaluate 180 homes for the presence of lead. The grant funding will also be used to conduct outreach and education.

Technical Assistance Work Sessions

As part of the strategy to create and retain affordable housing the NHCD/AHFC development team provides ongoing technical assistance to non-profits and for-profit developers as needed. Each year, more than 100 face-to-face meetings, as well as responses to numerous phone calls and e-mails give NHCD/AHFC development staff the opportunity to assist and inform current and potential funding applicants about various aspects of affordable housing development. Assistance can be provided at any stage in a project

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life cycle: pre-application, during development, and in post-development. Just a few examples of the types of assistance provided are: how the requirements of different funding sources may affect a project; complying with federal requirements; assistance with City of Austin development regulations and processes; and suggestions for alternate fund sources.

NHCD's Compliance Division offers one-on-one technical assistance to beneficiaries, borrowers, contractors, and sub recipients. NHCD hosted a work session for all sub recipients and contractors in September 2011. The purpose of the work session was to provide training, confirm/clarify processes, procedure, and regulatory requirements, and offers assistance in resolving issues.

Media and Outreach Contacts

NHCD continued to utilize its web site as a key educational tool receiving more than 50,000 unique page views annually, and over 100,000 page views overall to the NHCD/AHFC site for affordable housing, community development and economic development information. NHCD Housing Information Referral services offers customers responsive information to direct inquiries made by phone by email. This service is essential in providing ongoing outreach and information about the departments programs and services.

NHCD also maintains a listserv that it uses to disseminate a wealth of resources, news and updates on department initiatives, as well as notices about public meetings and events. There are currently over 1,149 people registered on the NHCD listserv.

d) Partnerships and Community Involvement

NHCD coordinates and maintains relationships with neighborhood groups, policy groups, non-profit and for-profit developers, businesses, and service providers in low- to moderate-income communities in order to reach its affordable housing and economic development goals. NHCD partnered with the following organizations/ initiatives in FY 2010-11:

African American Resource Advisory Commission (AARAC)

NHCD worked with members on the African American Resource Advisory Commission (AARAC) to target outreach and marketing efforts on NHCD programs and services to the African American community. The AARAC 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, affordable housing, home ownership and homelessness; entertainment opportunities for

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professionals and students; employment; and cultural venues, including museums, theaters, art galleries and music venues.

NHCD provided a progress report to the AARAC in May 2011 addressing ten items under the Neighborhood Sustainability Initiative outlined in the 2008 *Addressing Community Needs Together* report. NHCD continues to support the AARAC and its efforts in improving quality of life for the African American community.

Austin Mayor's Committee for People with Disabilities

NHCD maintained presence and coordination with the Mayor's Committee for People with Disabilities in FY 2010-11. The committee carries out a program that encourages, assists and enables persons with disabilities to participate in the social and economic life of the City of Austin; achieve maximum personal independence; become gainfully employed; and to enjoy fully and use all the public and private facilities available within the community.

Community Action Network (CAN)

Community Action Network (CAN) is a public/private partnership between 15 major community organizations that work 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. The Issue Area Groups bring together stakeholders from throughout the community to collaborate with organizations that provide social services. CAN maintains a listserv of more than 3,800 community contacts, which is a key resource for NHCD's outreach efforts to provide information to the public, community non-profits and small businesses.

NHCD collaborated with CAN and several agencies in developing Housing Issue Area Group. CAN is worked with the City of Austin, Travis County, the Travis County Housing Authority, the Housing Authority of the City of Austin and other agencies to explore opportunities to enhance local affordable housing planning efforts and incorporate this planning initiative into the CAN framework.

CAN developed the CAN Community Dashboard 2011 Report which outlines and addresses community needs. This report along with other community reports was a key tool and component of the City's data analysis in developing the FY 2011-12 Action Plan framework.

Central East Austin Weed & Seed Initiative

Weed & Seed is a community-based strategy sponsored by the U.S. Department of Justice (DOJ). It is an innovative, comprehensive multi-agency approach to law enforcement, crime prevention, and community

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revitalization. Currently, there are more than 250 Weed and Seed sites nationwide.

Though the program endured substantial funding cuts in FY 2010-11, NHCD staff continued to serve on the Weed & Seed Steering Committee, attended monthly meetings, and collaborated with many community groups for the coordination of activities and events. The Central East Austin Weed & Seed Site requested and received an extension of time on its grant from August 2011 to February 2012. The Austin Steering Committee has attended several trainings on effectively maintaining and sustaining the program and its mission. The Central East Austin Weed & Seed Site offered training opportunities to other Texas Weed & Seed Sites in FY 2010-11.

The Austin Steering Committee is committed to helping neighborhoods help themselves by enabling them to reduce crime, strengthen community capacity, increase quality of life, and promote long-term community health and resilience.

Community Housing Development Organizations (CHDOs)

Community Housing Development Organizations (CHDOs) are non-profit housing providers whose organizational mission includes the development of affordable housing for low- and moderate-income households. The City is able to work closely with CHDOs to help them meet their housing development goals by coordinating with the CHDO Roundtable, an organization comprised of local, non-profit affordable housing providers. NHCD staff meets regularly with the CHDO Roundtable to discuss policy matters and provides CHDO Operating Expenses Grants to help increase organization capacity.

The CHDO Roundtable released “Meeting Austin’s Affordable Housing Needs Across the Spectrum” at the beginning of 2011 which was another key tool used in developing the FY 2011-12 Action Plan’s Community Needs Assessment.

Ending Community Homelessness Coalition (ECHO)

The Ending Community Homelessness Coalition (ECHO) is charged with providing dynamic proactive leadership that engages policy makers and the community in ending homelessness. In order to accomplish this, ECHO engages in a variety of activities including:

- Coordinating the annual HUD Continuum of Care (CoC) application;
- Conducting the annual homeless count;
- Providing outreach through the annual Homeless Fair and Women’s Homeless Fair;
- Serving as the homeless planning entity for the community; and
- Advocating for homeless issues.

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City staff from both HHSD and NHCD serve on ECHO committees: the Executive Committee, Planning & Evaluation Committee, and Exiting Committee. City staff also serves as institutional members on the CoC Independent Review Team, which evaluates and scores local CoC applications.

NHCD staff collaborated heavily with ECHO during FY 2010-11 as the City launched into its Permanent Supportive Housing (PSH) initiative and the Community Engagement Plan.

Austin Housing Repair Coalition

The Austin Housing Repair Coalition is a collaboration of more than 17 governmental and non-profit organizations. The Housing Repair Coalition helps maximize the community's resources by coordinating the delivery of an array of housing repair and weatherization services to help low-income households who may also be elderly or disabled remain safely in their homes. The Housing Repair Coalition released "Housing Repair Needs Assessment" in February 2011 which is a key report that was considered when developing the FY 2011-12 Action Plan's Community Needs Assessment.

HousingWorks

HousingWorks is a non-profit organization endeavoring to keeping homes affordable for Austin residents, through research, education and public policy change. NHCD leadership holds monthly meetings with HousingWorks, as an opportunity to have focused conversations on collaborative efforts to maintain housing affordability in Austin.

Texas Association of Local Housing Finance Agencies (TALHFA)

The City of Austin maintained its membership with TALHFA, a 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. TALHFA has a membership of over 300 professionals in all areas of affordable housing.

NHCD attended annual conferences hosted by TALHFA in FY 2010-11 and received recognition and awards for Best Marketing Material on two projects: NHCD's Return on Investment (ROI) web site and the City's African American Heritage and Cultural Facility Groundbreaking.

Community-Wide and/or Departmental Leadership Collaborations.

NHCD staff participated in the following community-based collaborations in FY 2010-11:

- FY 2011-12 Action Plan: five public hearings, six neighborhood gatherings, eight enhanced outreach opportunities, and meetings with key stakeholder groups.

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- African American Quality of Life, Neighborhood Sustainability Subcommittee.
- Alliance for Economic Inclusion/Financial Fitness Greater Austin.
- American Institute of Architects, Austin Chapter/DesignVoice Initiative.
- Airport Boulevard Redevelopment Plan.
- Austin/Travis County Health and Human Services Department – Community Based Resources Unit Request for Applications (RFA) Review Panels and Social Science contract Review Panels.
- Central East Austin Weed and Seed Initiative.
- City of Austin Obesity Prevention Strategic Planning.
- City of Austin Equal Employment/Fair Housing office-sponsored Fair Housing Conference.
- City of Austin Tobacco Strategic Planning.
- City of Austin Waller Creek Master Planning process.
- Community Action Network (CAN).
- Community Development Block Grant (CDBG) Week Proclamation.
- Community Development Commission (CDC) of the City of Austin.
- Community Housing Development Organization (CHDO) Roundtable.
- Austin/Travis County Re-Entry Roundtable.
- Downtown Master Planning – Density Bonus Study and Affordable Housing Strategy.
- Downtown Austin Alliance.
- East Riverside Corridor Planning.
- Ending Community Homelessness Coalition (ECHO)/ Plan to End Community Homelessness.
- City/County/AISD Joint Subcommittee/School Mobility Working Group.
- Healthy Homes and Families Fair.
- Hispanic Quality of Life Initiative.
- Home Repair Coalition.
- Housing Works Summit.
- HUD Continuum of Care Independent Review Team.
- Imagine Austin Comprehensive Planning Process.
- Intergovernmental Stimulus Working Group.
- Keep Austin Beautiful Art Mural Project.
- Mayor's Mental Health Task Force Monitoring Committee.
- Texas Supportive Housing Coalition stakeholder meeting.
- Transit Oriented Development (TOD) stakeholder meeting.
- Urban Renewal Agency (URA) meetings.

Departmental Awards for FY 2010-11

- Texas Association of Local Housing Finance Associations (TALHFA) 2010 Annual Achievement Award Winner - Best Marketing Material: NHCD's Return on Investment (ROI) web site www.austintexas.gov/housing/roi

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- 2011 Austin Bronze Quill Award Winner - Communication Management, Community Relations Category: NHCD's Corridor Conversation Town Hall
- TALFA 2011 Annual Achievement Award Winner – Best Marketing Material: City's African American Heritage and Cultural Facility Groundbreaking

Groundbreaking and Ribbon Cutting Ceremonies

- October 2010, *Wildflower Terrace* – Groundbreaking ceremony
- October 2010, *LifeWorks* – Groundbreaking ceremony
- October 2010, *PeopleFund* – Ribbon cutting ceremony
- November 2010, *Sierra Vista Community Center* – Ribbon cutting and dedication ceremony
- March 2011, *The Willows* – Ribbon cutting ceremony
- March 2011, *Franklin Gardens* – Open house event
- May 2011, *Retreat at North Bluff* – Ribbon cutting ceremony
- June 2011, *African American Cultural and Heritage Facility* – Groundbreaking ceremony
- July 2011, *Frontier at Montana* – Ribbon cutting ceremony

Industry Involvement

In FY 2010-11 the NHCD was recognized and involved in the following housing industry events:

- October 2010, NHCD attended the Texas Association of Local Housing Finance Agencies (TALHFA) Conference - Odessa, TX
- October 2010, NHCD participated in the NFBPA's panel discussion, "Fostering Decent Affordable Housing" - Austin, TX
- October 2010, NHCD attended the Texas Association of Community Development Corporation's Race, Place, and Fair Housing Conference - Austin, TX
- January 2011, NHCD attended NCDA's Winter Legislative & Policy Meeting - Washington D.C.
- April 2011, NHCD attended the City of Austin's Dare to Be Fair Conference - Austin, TX
- April 2011, NHCD attended HUD's Quarterly Director's Meeting (All Texas Community Planning and Development Grantee) - Round Rock, TX
- April 2011, NHCD provided testimony at the 82nd Texas Legislative Session for House Bill 2197 on land banking - Austin, TX
- June 2011, NHCD attended the 2011 Austin Bronze Quill Awards Event - Austin, TX
- June 2011, NHCD attended the National Community Development Association's (NCDA) Annual Conference - Cincinnati, OH

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- July 2011, NHCD attended the Central Texas Livability Summit, CAMPO, the Texas Transportation Institute and the Federal Highway Administration - Austin, TX
- July 2011, NHCD attended HUD's Community Development Director's Meeting - San Antonio, TX
- August 2011, NHCD facilitated a meet and greet with the Chinese Official Delegation - Austin, TX
- September 2011, NHCD attended the Federal Reserve Bank's Finding Housing Opportunities for People with Disabilities Conference - Austin, TX
- September 2011, NHCD attended the Federal Reserve Bank's Healthy Communities Conference - Houston, TX
- September 2011, NHCD attended in the 3CMA's City-County Communications & Marketing Association 2011 Conference, - Austin, TX
- September 2011, NHCD attended National Housing Conference and Center for Housing Policy's Solutions for Sustainable Communities Conference - Washington, DC

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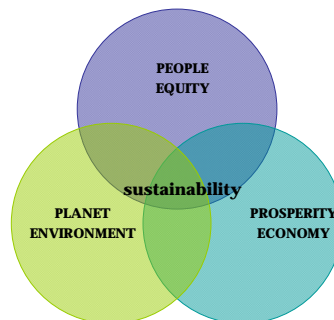
5) PROMOTE SUSTAINABLE PRACTICES

“A sustainable community is one that has more housing and transportation choices, helps people live closer to jobs, shops and schools, is more energy independent and helps protect clean air and water.” - *U.S. HUD-DOT-EPA Partnership for Sustainable Communities*

The City of Austin launched its Office of Sustainability in September 2010. The objective of the office is to assist in aligning and connecting “green” initiatives, opportunities and programs across City’s departments and the city at large. The Office defines sustainability as finding a balance among three sets of goals: 1) prosperity and jobs, 2) conservation and the environment, and 3) community health, equity and cultural vitality. It means taking positive, proactive steps to protect quality of life now, and for future generations.

Exhibit 4.9, Sustainability Balance displays the three sets of goals. Over time, the Office will incorporate the pillars of sustainability in the categories of its economy, environment and social equity. The concept of city shaping and mobility is an additional critical consideration related to sustainability.

Exhibit 4.9: Sustainability Balance



The concept of sustainability is not new to NHCD. Energy efficiency, green building, and transit-oriented housing initiatives have long been incorporated into the spectrum of NHCD’s housing activities, and low- and moderate-income households have for years enjoyed the benefits of such efforts, including lower utility bills, healthier home environments, increased mobility and reduced transportation costs. With the advent of the City’s Sustainability