

This message is for telling you in simple words why Austin has an "affordability problem" and how the other CodeNext topics affect it.

The 'problem' is that more people want to live in Austin than there are homes for. We have a way to decide who lives here, called a market. The cost of a home increases until some of those people don't want to live in Austin anymore. In general, the rich people who want to move here get to live here, while some of the poor people who already live here move somewhere else. A lot of people move a bit outside of Austin and drive here every day, causing traffic problems.

If we want poor people to live here without spending too much money, the easy ways to do so are to build more homes and to make Austin a bad enough place to live that rich people don't want to move here. For the first idea, CodeNEXT should let people build as many new homes as it can without stepping on the toes of its other goals. I think CodeNEXT should not use the second idea because its main goal is to make Austin a better city.

Writers on this topic often use the word "gentrification" to describe two trends. First, builders buy homes in poor areas and replace them with more homes. Second, rich people buy homes in poor areas and, as they move in, the poor people move out to make room for them. Do not confuse the two. The rich people will find a home somewhere, because they have enough money. The builders can help keep more poor people in their homes by building extra rich-person homes somewhere else. For example, they often replace one house with two apartments, so two rich people replace only one poor person. If CodeNext does not let the builders do their jobs, it pushes more poor people out of Austin.

The current code uses what it calls "density credits" to try to keep cheap homes in Austin. The code usually limits how many homes can be built in an area. But it lets extra homes be built if some of them are restricted to low rents. This works, but not for the reason it's supposed to. Restricting some homes to low rents does not increase the amount of homes in Austin, so the extra people who want to live here still compete for the same number of new homes. The restricted homes are more affordable, but the size of the total "affordability problem" remains the same, so non-restricted homes in the area become a bit less affordable. However, the extra homes built from the "density credits" help a lot! They let extra people move into the area and make all the homes there more affordable. Builders do not always use "density credits" because the low rent restrictions are expensive for them. So to make an area more affordable, CodeNext should decrease how many low rent homes they need for the same density credits.

I hope this message helps you understand why Austin has an "affordability problem" and how new rules might affect it.

Timothy Nodine