

Housing Works Austin

presents

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Housing Affordability 101



HousingWorks Austin

HousingWorks Austin is a nonprofit 501 (c) 3 organization that conducts research, educational initiatives and advocacy around housing affordability. It was formed by a group of housing advocates following the passage of the first dedicated housing bonds in 2006.



HousingWorks

A U S T I N



Agenda

The Problem

What is MFI?

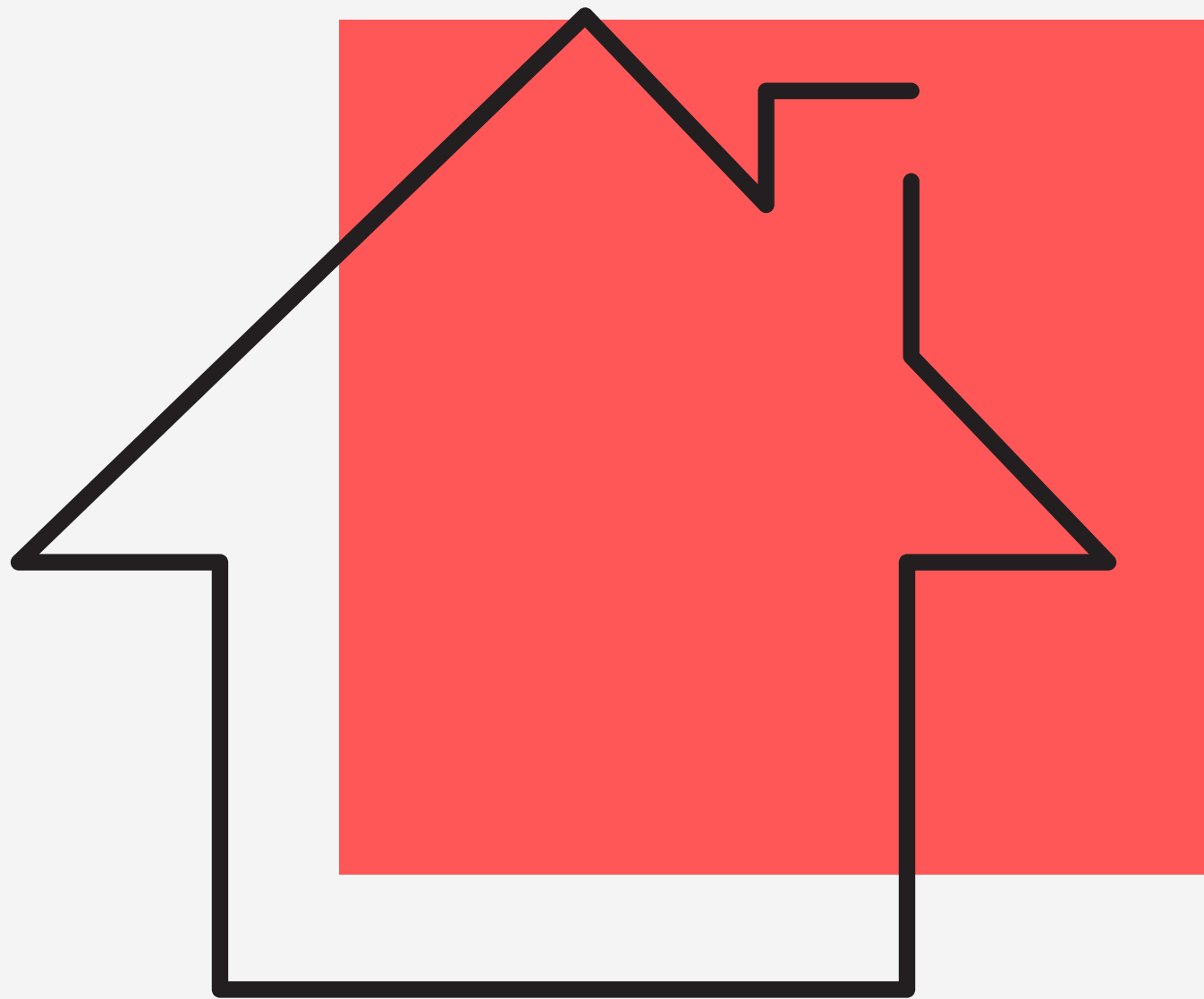
The Opportunity

County and District Analysis

CoA Strategic Housing Blueprint

Blueprint Scorecard

Affordability Advocacy



.....> **The Problem**

What is MFI?

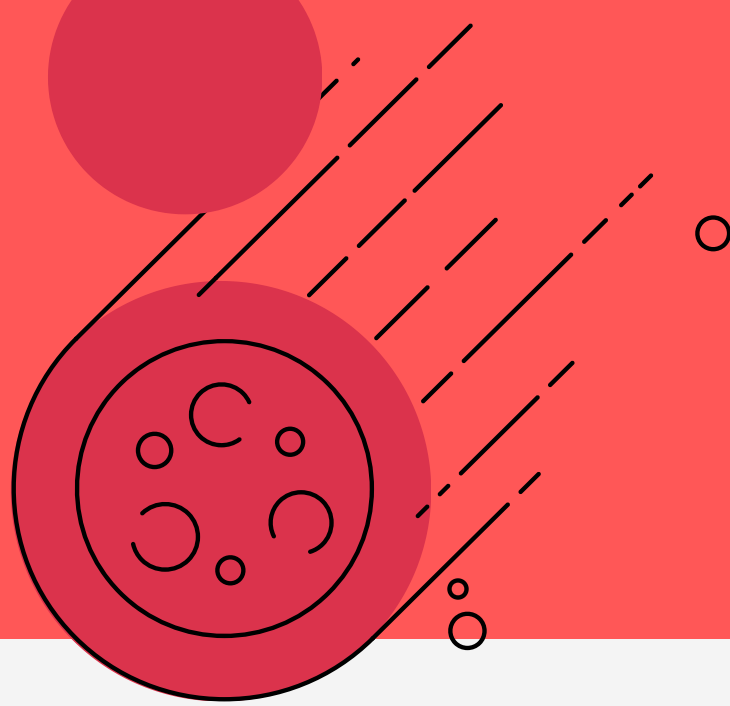
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THE PROBLEM

1 The average cost of an Austin region home in October 2023 is \$435,000.

The average cost of Austin region rent in October 2023 is \$1,806.

2 The annual income needed to buy the average home in the Austin region is \$160,000 while the annual income required to afford an apartment with the average rent in the Austin area is \$72,200. However, the average salary from many occupations is well below those benchmarks:

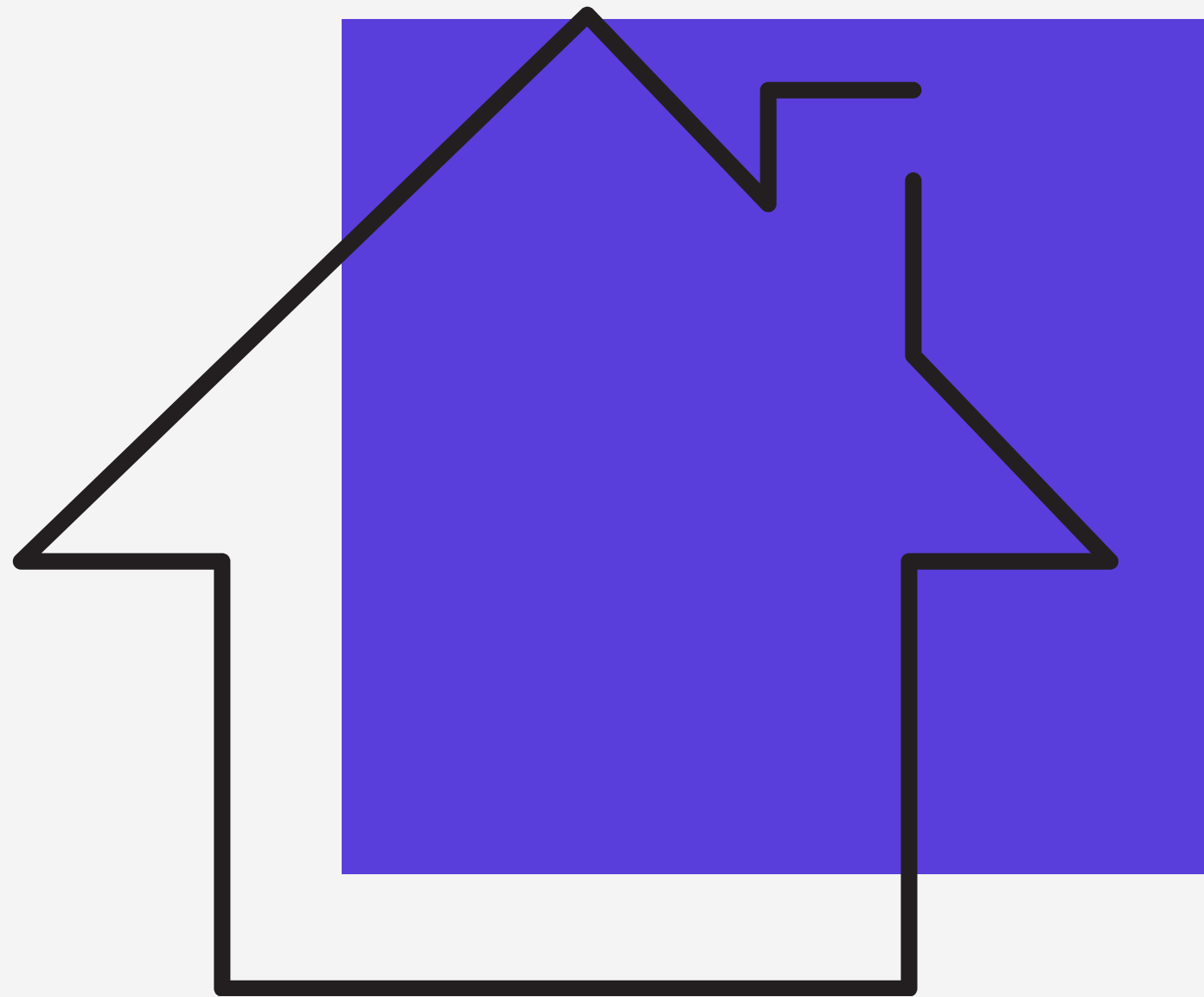
- a. Teacher: \$56,441
- b. Administrative assistant: \$44,609
- c. Nurse: \$81,842
- d. Customer Service Representatives: \$37,303



THE PROBLEM

- 3 Despite the strained housing market, the City of Austin has not met its goals set out in the 2017 Strategic Housing Blueprint for housing construction affordable to moderate-income households.

From 2018 to 2022, 7,496 housing units affordable to households earning 81% to 120% of Median Family Income (MFI) have been produced, short of the goal of 7,500 units. Additionally, only 2,016 units affordable to households earning 61% to 80% of MFI have been produced, significantly lower than the goal of 4,500.



The Problem

.....→ **What is MFI?**
(and why it matters)

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Median Family Income (MFI)

Refers to the median income of households of varying sizes within a certain Metropolitan Statistical Area (MSA), as designated by the U.S. Department of Housing and Urban Development (HUD) and updated on an annual basis.

MFI provides the basis for income limits in subsidized affordable housing.



2023 Area Median Family Income
 For Travis County, Texas
 \$122,300(4-person household)
 MSA: Austin – Round Rock, TX.

**2023 HOME & CDBG Program Income Limits
 by Household Size Effective Date: June 15, 2023**

Median Income Limit	1 Person Household	2 Person Household	3 Person Household	4 Person Household	5 Person Household	6 Person Household	7 Person Household	8 Person Household
20%	16,350	18,700	21,000	23,350	25,250	27,100	28,950	30,850
* 30%	24,550	28,050	31,550	35,050	37,900	40,700	43,500	46,300
<i>(30% MFI is defined by HUD as extremely low-income)</i>								
40%	32,700	37,400	42,050	46,700	50,450	54,200	57,950	61,650
* 50%	40,900	46,750	52,600	58,400	63,100	67,750	72,450	77,100
<i>(50% MFI is defined by HUD as very low income)</i>								
* 60%	49,080	56,100	63,120	70,080	75,720	81,300	86,940	92,520
65%	53,150	60,750	68,350	75,900	82,000	88,050	94,150	100,200
70%	57,250	65,400	73,600	81,750	88,300	94,850	101,400	107,900
* 80%	65,450	74,800	84,150	93,450	100,950	108,450	115,900	123,400
<i>(80% MFI is defined by HUD as low-income)</i>								
100%	85,600	97,850	110,050	122,300	132,100	141,850	151,650	161,450
120%	102,750	117,400	132,100	146,750	158,500	170,250	182,000	193,700
140%	119,850	137,000	154,100	171,200	184,900	198,600	212,300	226,000

*** Income limits provided by HUD.**

Other income limits calculated by Housing Dept. based on the formula used by HUD.

MFI Chart was expanded to include other percentages used by Housing Dept.

WHO NEEDS HOUSING THAT'S AFFORDABLE?

CITY OF AUSTIN

2022



BELOW POVERTY LEVEL

Less than \$27,479

Families living below poverty level, including families where members are employed, families with members 65 years of age or older, and families with disabled members on a fixed income

**CURRENTLY =
44,277
HOUSEHOLDS****



VERY LOW-INCOME

**Less than \$55,150
Less than 50% MFI***

Childcare providers, bus drivers, retail sales people, cashiers, cooks, custodians, visual/performance artists, medical assistants, electricians

**CURRENTLY =
142,439
HOUSEHOLDS**



LOW-INCOME

**\$55,150-\$88,250
50%-80% MFI**

Teachers, plumbers, paralegals, teachers' aides, firefighters, police officers, nurses, computer programmers, architects, financial analysts

**CURRENTLY =
79,815
HOUSEHOLDS**



MODERATE-INCOME

**\$88,250-\$132,350
80%-120% MFI**

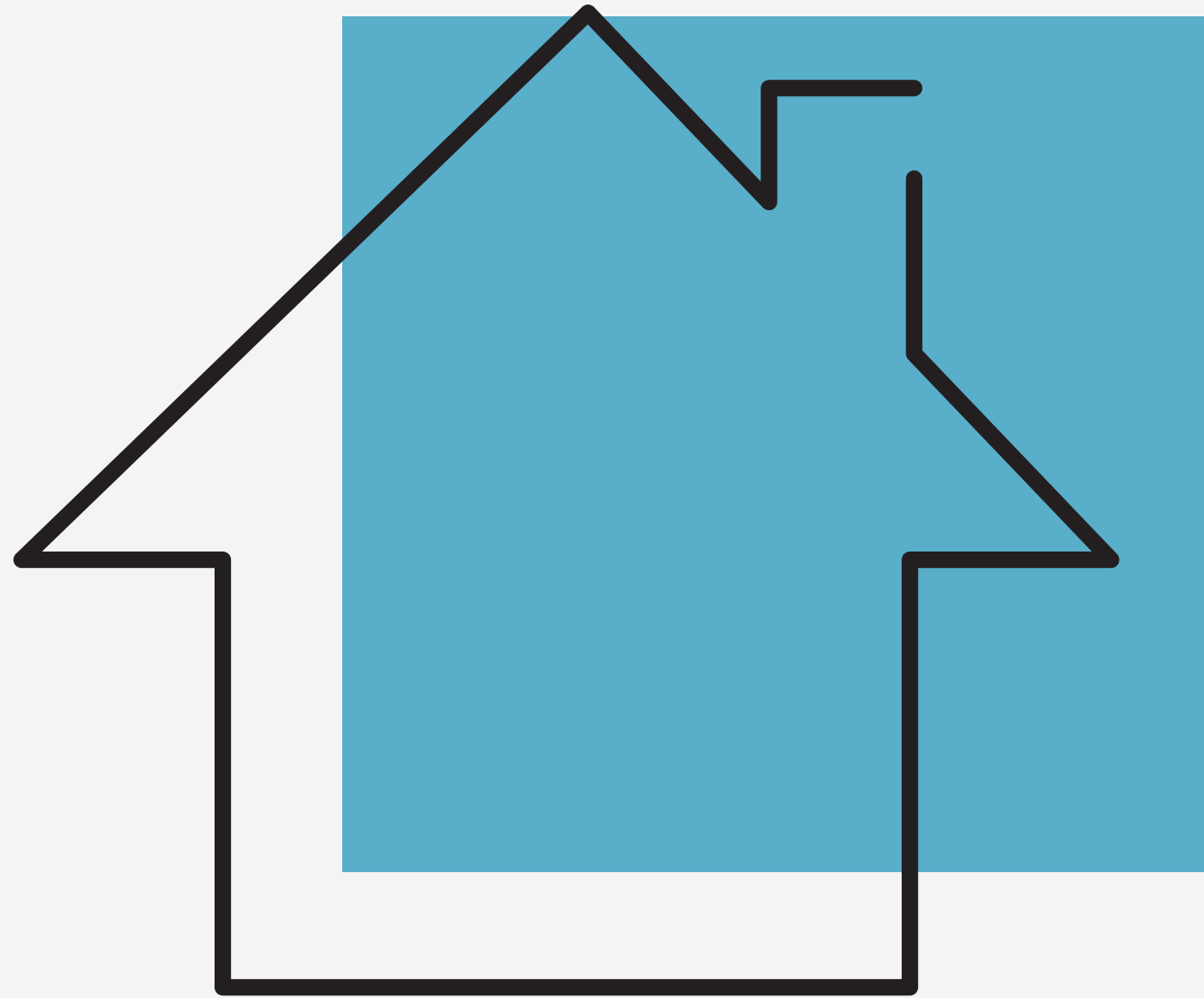
Database administrators, physical therapists, engineers, commercial pilots, nurse practitioners, lawyers, dentists

**CURRENTLY =
69,451
HOUSEHOLDS**

*MFI (Median Family Income) is defined by 2022 HUD Income Limits for the Austin-Round Rock MSA

**Households = A household encompasses related family members and all unrelated people sharing a housing unit, including a person living alone (US Census Bureau)

*** Occupations and corresponding income levels are representative of a single income earner.



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**All Kinds of Homes,
in All Parts of Town,
for All Kinds of People.**



Affordable Housing Development

Development Strategies

- New development
 - Income-restricted
 - Mixed income
- Preservation of existing affordable housing
 - Home Repair programs
 - Apartment building acquisition and rehab
- Land Acquisition for future affordable housing

Target Audience

- Subsidized *rental* units are typically affordable to households earning 60% MFI and below
- Generally, affordable *homeownership* units can be available to households earning up to 120% MFI and below

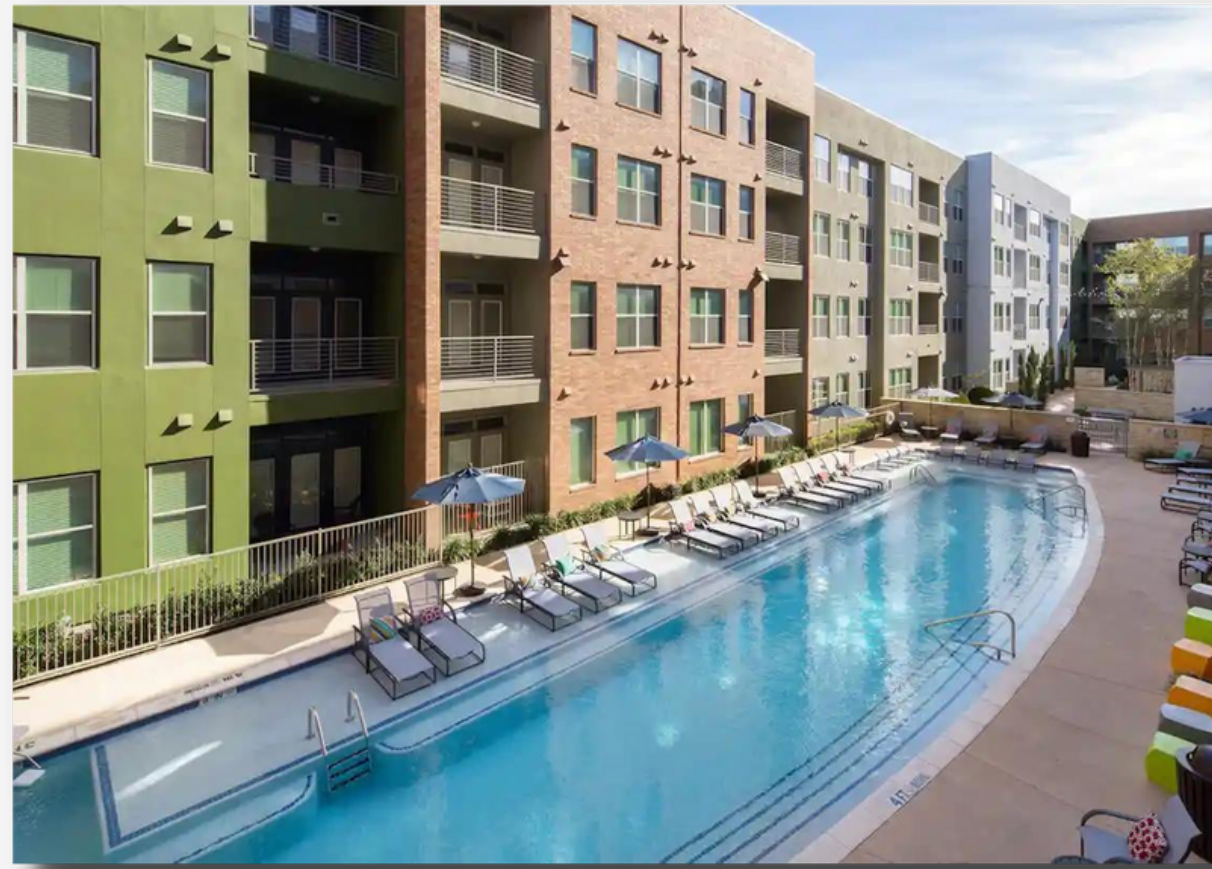
Funding Strategies

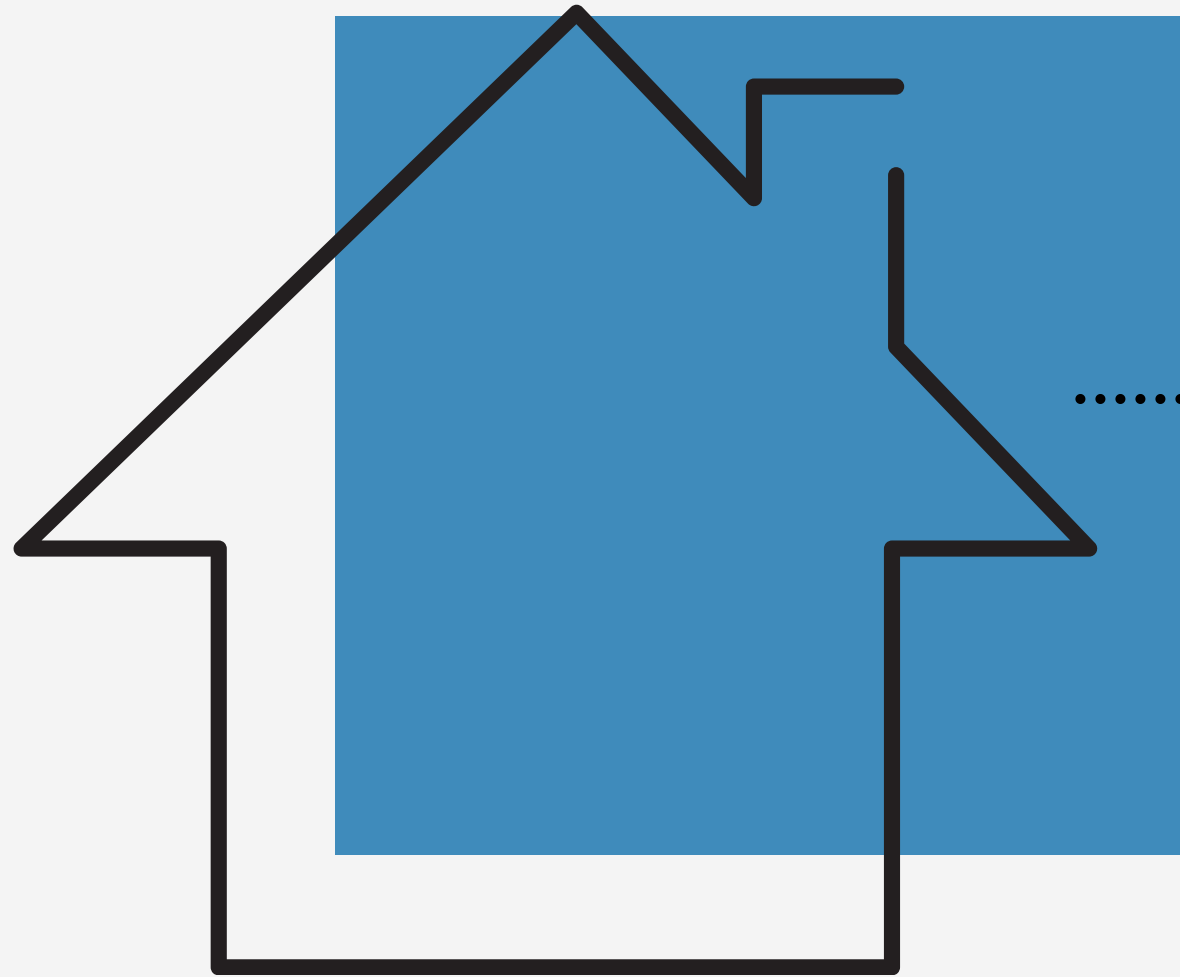
- Affordable Housing Bonds
- Zoning incentives and reductions
 - Density Bonus Programs
 - Affordability Unlocked
- Federal Housing Programs
 - Low-Income Housing Tax Credits
 - Section 8
- Shared equity programs
 - Community Land Trust

Mueller Airport Redevelopment

- **Mueller Foundation**
- **Catellus Development LLC**
- **25% of housing is affordable including multifamily rental housing and ownership units that are part of a *shared equity program***







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Austin Community at a Glance 2022

DEMOGRAPHICS

33.9

MEDIAN AGE

9.4%

AGE 65+



RACE/ETHNICITY



48% White

34% Hispanic/Latino

7% Black/African American

8% Asian

4% Other

SUBSIDIZED HOUSING



50,888

TOTAL SUBSIDIZED AFFORDABLE HOUSING UNITS

28,488 EXISTING
SUBSIDIZED UNITS

22,400 PLANNED
SUBSIDIZED UNITS

COST OF LIVING



\$1,707 AVERAGE RENT PER MONTH

MEDIAN FAMILY INCOME \$122,300



\$590,000 MEDIAN HOME PRICE

RENTER VS. OWNER

50%

RENTERS

462,905



50%

HOMEOWNERS

469,113

Austin Community at a Glance 2022, cont.

HOMELESSNESS

 **1,234** 

OF PEOPLE EXPERIENCING UNSHELTERED HOMELESSNESS

POVERTY RATE

12.5% POVERTY RATE **116,753**  
INDIVIDUALS BELOW POVERTY

COST BURDENED



10%
ARE EXTREMELY COST BURDENED
STATE OF TEXAS



16%
ARE EXTREMELY COST BURDENED
CITY OF AUSTIN

TRANSIT CHOICES

 **42%** PERCENT OF SUBSIDIZED UNITS WITHIN A FIVE MINUTE WALK OF HIGH FREQUENCY TRANSIT

AVERAGE ANNUAL MASS TRANSIT TRIPS PER HOUSEHOLD **167** 

 **14,368** AVERAGE ANNUAL VEHICLE MILES TRAVELED PER HOUSEHOLD

Travis County at a Glance 2022

DEMOGRAPHICS

34.9

MEDIAN AGE

RACE/ETHNICITY



- 48% White
- 34% Hispanic/Latino
- 8% Black/African American
- 7% Asian
- 3% Other

SUBSIDIZED HOUSING



7,687

SUBSIDIZED HOUSING UNITS OUTSIDE OF AUSTIN CITY LIMITS

4,675

EXISTING SUBSIDIZED UNITS OUTSIDE OF AUSTIN CITY LIMITS

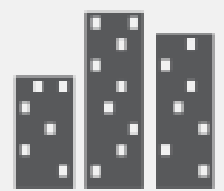
3,012

PLANNED SUBSIDIZED UNITS OUTSIDE OF AUSTIN CITY LIMITS

58,150

TOTAL SUBSIDIZED HOUSING UNITS IN TRAVIS COUNTY INCLUDING THE CITY OF AUSTIN

COST OF LIVING

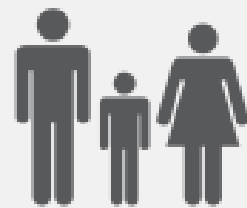


\$1,705

AVERAGE RENT PER MONTH

MEDIAN FAMILY INCOME

\$108,852



\$570,000

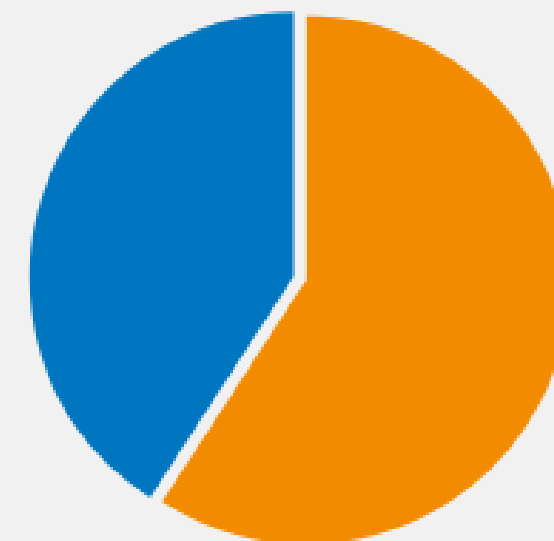
MEDIAN HOME PRICE

RENTER VS. OWNER

41%

RENTERS

508,312



59%

HOMEOWNERS

733,843

Travis County at a Glance 2022, cont.

SENIOR POPULATION



9.8%

AGE 65+



2.7%

AGE 65+ WITH
A DISABILITY

HOMELESSNESS

1,266 

OF PEOPLE EXPERIENCING
UNSHELTERED HOMELESSNESS

POVERTY RATE



11.2%

POVERTY RATE

139,464 

INDIVIDUALS BELOW POVERTY

COST BURDENED



10%

ARE EXTREMELY
COST BURDENED
STATE OF TEXAS



15%

ARE EXTREMELY
COST BURDENED
TRAVIS COUNTY

TRANSIT CHOICES



37%

PERCENT OF SUBSIDIZED UNITS
WITHIN A FIVE MINUTE WALK OF
HIGH FREQUENCY TRANSIT

AVERAGE ANNUAL MASS TRANSIT
TRIPS PER HOUSEHOLD

143 



15,743

AVERAGE ANNUAL
VEHICLE MILES TRAVELED
PER HOUSEHOLD



The Problem

What is MFI?

The Opportunity

County and District Analysis

.....→ **CoA Strategic**

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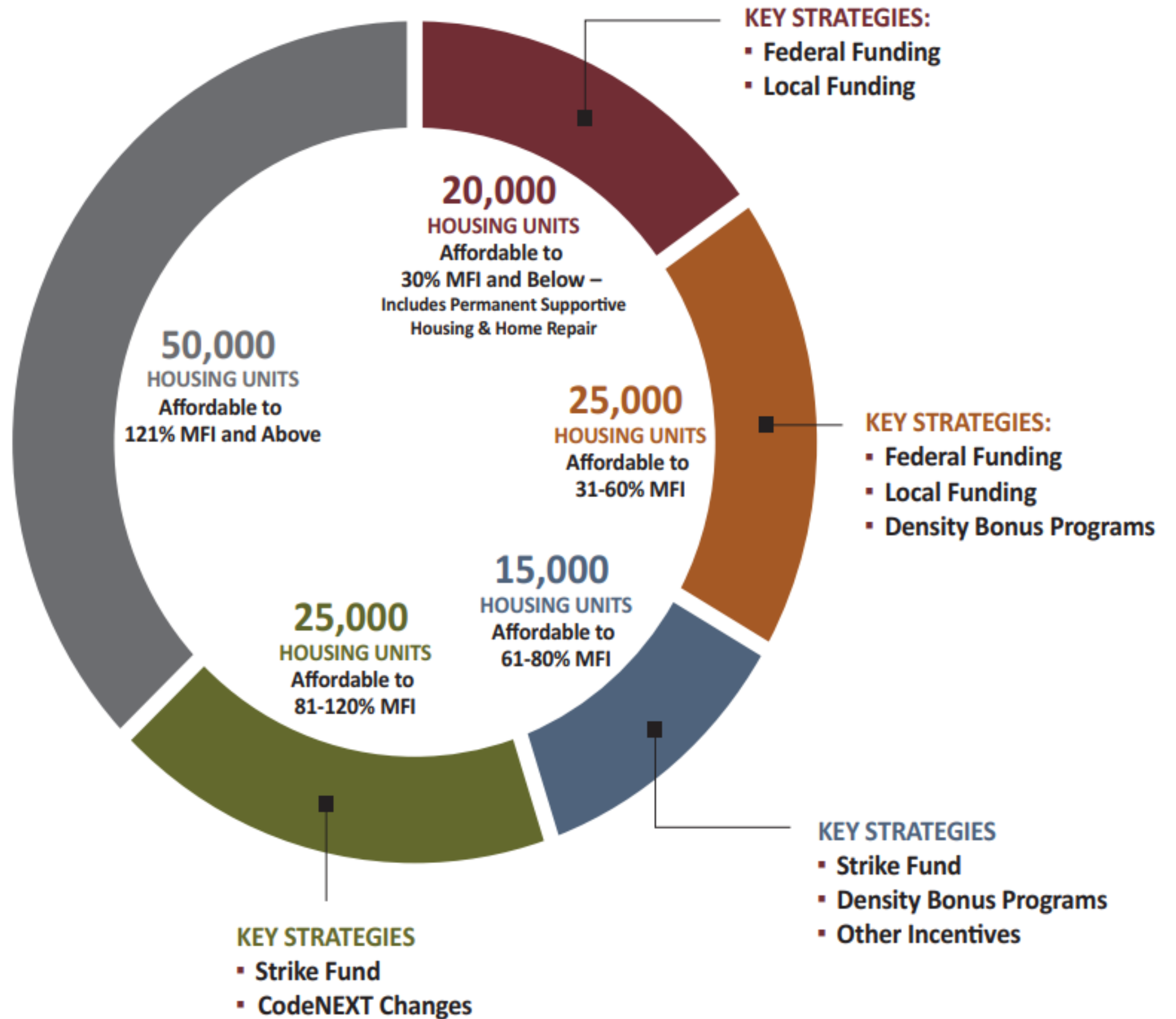
Affordability Advocacy

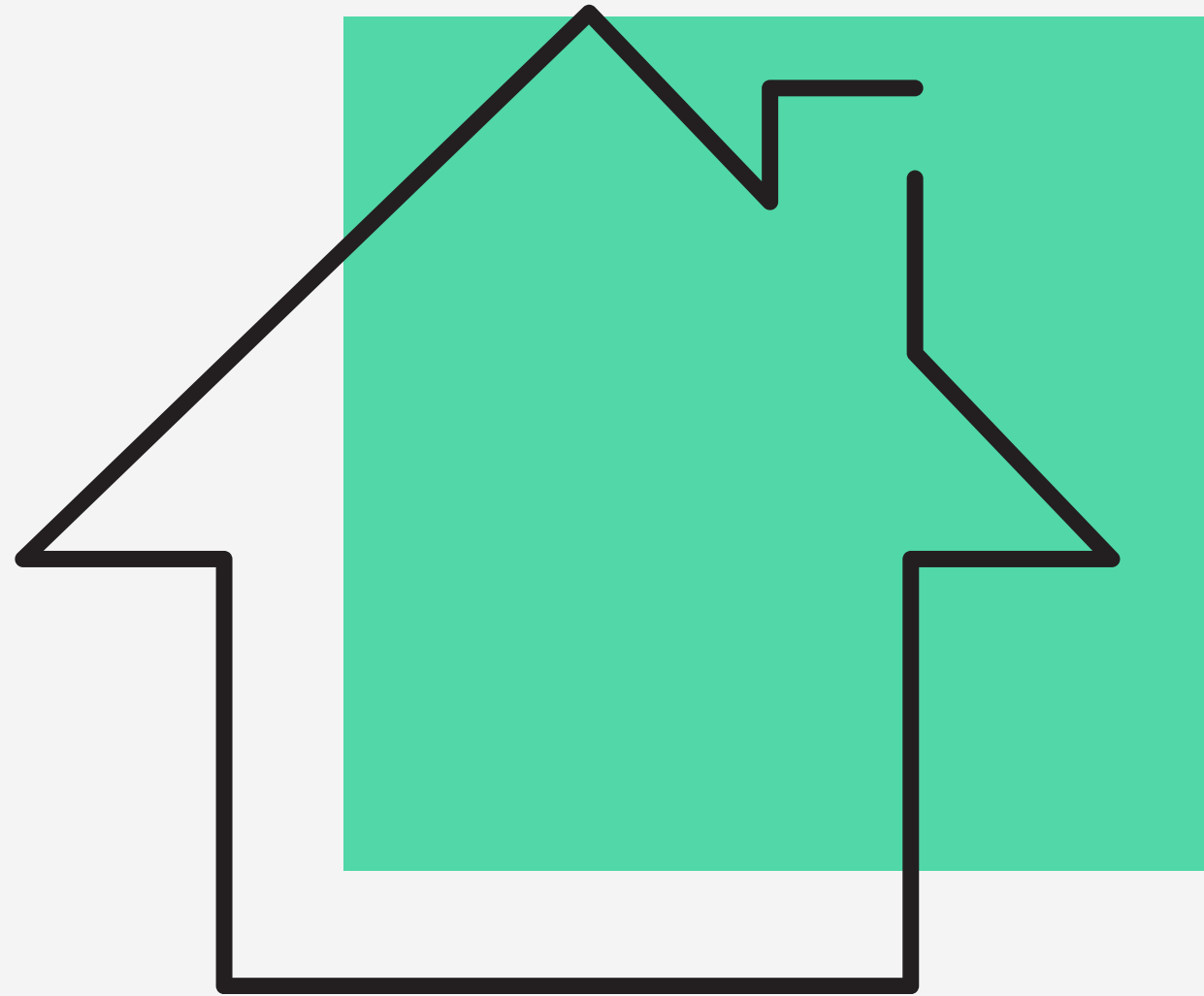
AUSTIN COMMUNITY 10-YEAR AFFORDABLE HOUSING GOALS

135,000 HOUSING UNITS IN 10 YEARS

*City of
Austin*

*Strategic
Housing
Blueprint*





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.....> **Blueprint Scorecard**

Affordability Advocacy

AUSTIN STRATEGIC HOUSING BLUEPRINT SCORECARD 2021

AUSTIN STRATEGIC HOUSING BLUEPRINT SCORECARD PROGRESS TO DATE 2018-2021

Checking in on the Strategic Housing Blueprint after Four Years

In 2017, Austin City Council adopted the Austin Strategic Housing Blueprint detailing goals to reach 135,000 housing units over the next ten years (2018-2028). The Blueprint includes District-specific goals to ensure that there is affordable housing throughout the city, as well as overall goals for the construction of housing units affordable to households at all income levels. This Progress to Date scorecard provides a snapshot of Austin's overall progress during the past 4 years toward achieving its 10-year affordability goals outlined in the Blueprint.

10-YEAR GOALS - PROGRESS TO DATE

KEY: **ON TRACK:** Meeting or exceeding 10-Year Goal current rate **PROGRESS UNDERWAY:** Only meeting 60-99% of the 10-Year Goal at current rate **OFF TRACK:** Meeting less than 60% of the 10-Year Goal at current rate

GOAL 1: DISTRIBUTION - NEW AFFORDABLE HOUSING UNITS

DISTRICT	Percentage	Units Built	Income-Restricted Units
DISTRICT 1	22%	1,569 out of 7,086 units built	1,158
DISTRICT 2	24%	1,063 out of 4,492 units built	1,832
DISTRICT 3	16%	976 out of 6,295 units built	1,237
DISTRICT 4	31%	956 out of 3,105 units built	1,081
DISTRICT 5	13%	588 out of 4,473 units built	461
DISTRICT 6	2%	130 out of 8,590 units built	248
DISTRICT 7	18%	1,202 out of 6,651 units built	427
DISTRICT 8	2%	173 out of 7,217 units built	168
DISTRICT 9	25%	913 out of 3,635 units built	303
DISTRICT 10	<1%	31 out of 8,456 units built	46

GOAL 2-3: NEW HOUSING UNITS 2018-2021

Cumulative Units Built (2018-2021)

121% MFI or Above	15,711	10-YR Goal 50,000
81% to 120% MFI	10,872	10-YR Goal 25,000
61% to 80% MFI	2,191	10-YR Goal 15,000
31% to 60% MFI	5,115	10-YR Goal 25,000
30% MFI or Below	295	10-YR Goal 20,000

Percentage of Total Households within each MFI range

121% MFI or Above	34%	CAN AFFORD 100%
81% to 120% MFI	19%	CAN AFFORD 54%
61% to 80% MFI	12%	CAN AFFORD 22%
31% to 60% MFI	18%	CAN AFFORD 16%
30% MFI or Below	17%	CAN AFFORD 9%

GOAL 4: DATA UNAVAILABLE UNTIL 2023

GOAL 5: IMAGINE AUSTIN CENTERS & CORRIDORS & HIGH OPPORTUNITY AREAS

91% 75% OF NEW HOUSING UNITS WITHIN 1/2 MILE OF IMAGINE AUSTIN CENTERS & CORRIDORS

18% 25% OF NEW INCOME-RESTRICTED AFFORDABLE HOUSING UNITS IN HIGH OPPORTUNITY AREAS

GOAL 6: PRESERVATION

PRESERVE 10,000 AFFORDABLE HOUSING UNITS OVER 10 YEARS

3,863 10-Year Goal: 10,000

GOAL 7: PREVENT HOMELESSNESS

PRODUCE 1,000 PERMANENT SUPPORTIVE HOUSING (PSH) UNITS OVER 3 YEARS

137 3-Year Goal: 1,000

AUSTIN STRATEGIC HOUSING BLUEPRINT SCORECARD 2021

A Holistic Approach to Affordable Housing

In 2017, Austin City Council adopted the Austin Strategic Housing Blueprint detailing goals to reach 135,000 housing units over the next ten years (2018-2028). The Blueprint includes goals for affordable housing in every City Council District to ensure that there is affordable housing throughout the city. It also includes goals for the construction of 60,000 housing units affordable to households at 80% median family income (MFI) and below, and another 75,000 units for households earning greater than 80% MFI broken into specific goals for households at different income levels.

GOALS

KEY: **ON TRACK:** Meeting or exceeding 10-Year Goal current rate **PROGRESS UNDERWAY:** Only meeting 60-99% of the 10-Year Goal at current rate **OFF TRACK:** Meeting less than 60% of the 10-Year Goal at current rate

GOAL 1: DISTRIBUTION - NEW AFFORDABLE HOUSING UNITS

DISTRICT	Percentage	Units Built	Income-Restricted Units
DISTRICT 1	17%	120 out of 709 units built	1,158
DISTRICT 2	54%	241 out of 449 units built	1,832
DISTRICT 3	48%	302 out of 630 units built	1,237
DISTRICT 4	139%	431 out of 311 units built	1,081
DISTRICT 5	1%	3 out of 447 units built	461
DISTRICT 6	0%	0 out of 859 units built	248
DISTRICT 7	48%	318 out of 665 units built	427
DISTRICT 8	0%	0 out of 722 units built	168
DISTRICT 9	54%	197 out of 364 units built	303
DISTRICT 10	1%	7 out of 846 units built	46

GOAL 2-3: NEW HOUSING UNITS 2018-2021

Cumulative Units Built (2018-2021)

121% MFI or Above	15,711	10-YR Goal 50,000
81% to 120% MFI	10,872	10-YR Goal 25,000
61% to 80% MFI	2,191	10-YR Goal 15,000
31% to 60% MFI	5,115	10-YR Goal 25,000
30% MFI or Below	295	10-YR Goal 20,000

New Units Built (2021 Only)

121% MFI or Above	34%	CAN AFFORD 100%
81% to 120% MFI	19%	CAN AFFORD 61%
61% to 80% MFI	12%	CAN AFFORD 18%
31% to 60% MFI	18%	CAN AFFORD 13%
30% MFI or Below	17%	CAN AFFORD 1%

GOAL 2: AFFORDABLE UNITS 2021

87 UNITS AFFORDABLE TO 30% MFI OR BELOW

1,060 UNITS AFFORDABLE TO 31-60% MFI

472 UNITS AFFORDABLE TO 61-80% MFI

GOAL 3: MIDDLE- & HIGH-INCOME UNITS 2021

3,972 UNITS AFFORDABLE TO 81-120% MFI

3,501 UNITS AFFORDABLE AT 121% MFI OR ABOVE

AUSTIN STRATEGIC HOUSING BLUEPRINT SCORECARD 2021

GOAL 4: HOUSING UNITS WITHIN EACH DISTRICT

Data on the affordability of all housing units in Austin is not available annually. The City of Austin will have information responsive to this goal in 2023 when it conducts its next Comprehensive Housing Market Analysis, which is completed every five years and includes a comprehensive analysis of all housing units in the City of Austin, both new and existing.

GOAL 5: IMAGINE AUSTIN CENTERS & CORRIDORS & HIGH OPPORTUNITY AREAS

KEY: **UNITS AFFORDABLE TO ≤ 80% MFI** **UNITS AFFORDABLE TO ≥ 80% MFI** **IMAGINE AUSTIN CENTERS & CORRIDORS** **HIGH OPPORTUNITY AREAS**

1,379 UNITS AFFORDABLE TO ≤ 80% MFI

7,129 UNITS AFFORDABLE TO ≥ 80% MFI

Units within 1/2 miles of Imagine Austin Centers & Corridors or in High Opportunity Areas

91% 75% OF NEW HOUSING UNITS WITHIN 1/2 MILE OF IMAGINE AUSTIN CENTERS & CORRIDORS

10% 25% OF NEW INCOME-RESTRICTED AFFORDABLE HOUSING UNITS IN HIGH OPPORTUNITY AREAS

Imagine Austin Centers & Corridors: Areas identified in the Imagine Austin Growth Concept Map where future growth can be directed to promote a city of complete communities for all, where your daily needs are met within a short trip.

High Opportunity Areas: Areas that provide residents with greater economic security, housing stability, mobility options, educational opportunities, and improved health and well-being.

GOAL 6: PRESERVATION

PRESERVE 10,000 AFFORDABLE HOUSING UNITS OVER 10 YEARS

1,550 Annual Goal: 1,000

Preservation: Maintain existing homes affordable to community members through acquisition and rehabilitation, creating supportive financial environments, and advancing new ownership models.

GOAL 7: PREVENT HOMELESSNESS

PRODUCE 1,000 PERMANENT SUPPORTIVE HOUSING (PSH) UNITS IN 3 YEARS

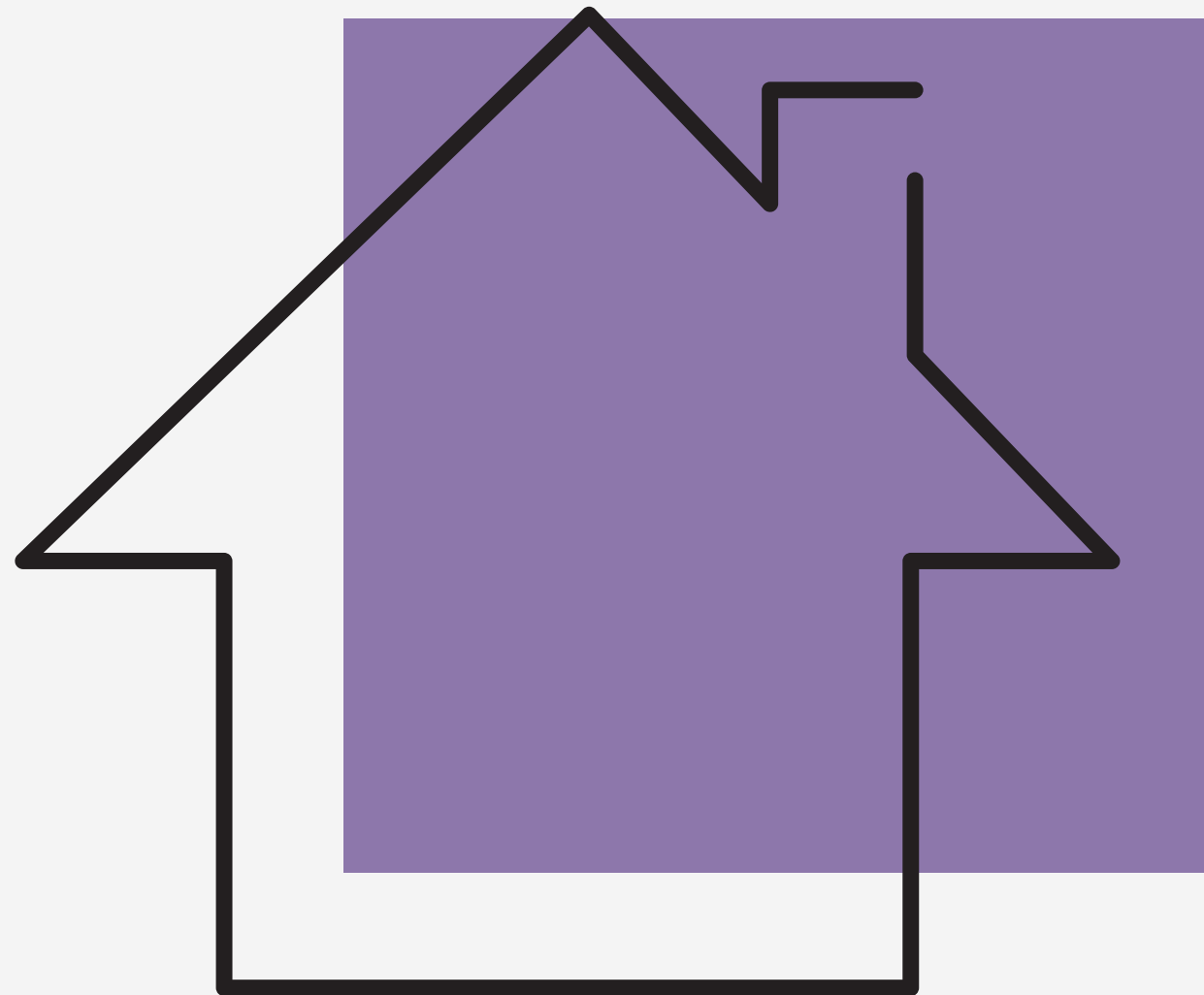
137 Annual Goal: 333

Permanent Supportive Housing: New units that provide housing and supportive services to extremely low-income households who are experiencing chronic homelessness and face multiple barriers to housing stability.

Blueprint Scorecard

The citywide Housing Scorecard analyzes and tracks progress toward achieving the seven goals that are key to implementing the Blueprint. This scorecard can help Austin track its efforts to sustainably achieve affordability goals, expand housing opportunities throughout town, and to ensure Austin remains a welcoming city for all. Austin has made considerable progress towards achieving its strategic housing goals, but significant work remains. Achieving these goals will require leveraging existing funding sources, increasing future funding opportunities, ensuring that existing regulations and programs align with affordability goals, and expanding collaborations with non-profit and private sector partners. Continued progress also depends on a strong community commitment to address the needs of the most vulnerable and create a more equitable and inclusive Austin.

Published 08/2022 www.austintexas.gov/blueprint



The Problem

The Opportunity

What is MFI?

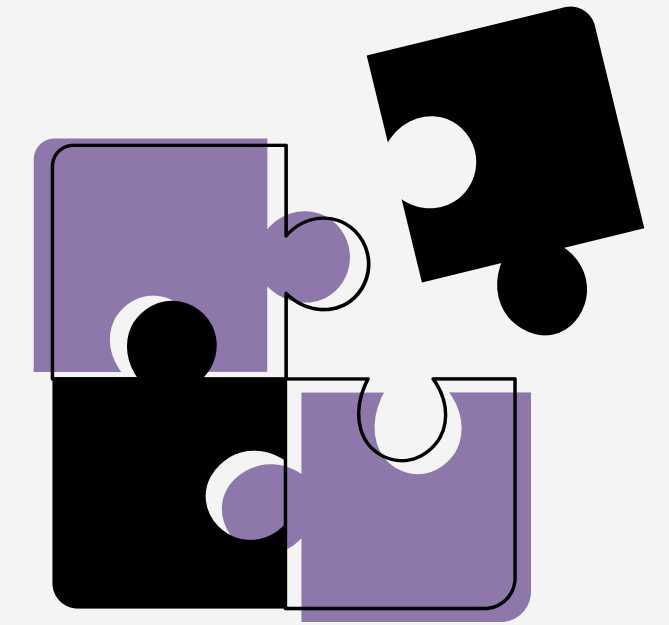
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.....> **Affordability Advocacy**

Partnerships for Advocacy



- Other non-profit organizations with common mission
- Developers (both large scale and small) with common mission for more affordability in our community
- Corporations who care about having their employees work as close as possible to their jobs
- Gentrifying neighborhoods
- Yourself!

Resources for Learning More

HousingWorks website

www.housingworksaustin.org

City of Austin

[Housing and Planning Department Annual Report](#)

[City of Austin Affordable Housing Inventory](#)

<https://atxaffordablehousing.net/>





HousingWorks

AUSTIN



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Thank you!
Q & A?

