

From: Dr. Fred L. McGhee, Burditt Prairie Preservation Association, Carson Ridge NA
To: Austin Anti-Displacement Task Force
Subject: Response to Staff Analysis
Date: 28 October, 2018

Members of the People's Plan Coalition met with City of Austin staff on Monday, October 1, 2018 to discuss the staff's analysis of the six resolutions forming the core of the People's Plan to Curb Austin Displacement. The analysis was conducted pursuant to City Council adopted Resolution No. 20180510-046, which directed the City Manager to conduct an analysis of the People's Plan and to provide the analysis back to the city council and the Anti-Displacement task force.

Our consultation meeting lasted over two hours. It was a lively exchange of ideas. What follows constitutes my personal viewpoints and not those of the People's Plan coalition.

Overview: From a conceptual perspective it is important to bear in mind the following:

1. The plan is crafted to be implemented *in its entirety*. Piecemeal adoption of only some of the plan won't work. Some of the resolutions are designed to work in concert, such as the drainage and the environmental quality program resolution and the Right to Stay/Return and Use of City Owned Land resolutions.
2. While gentrification is now an Austin-wide problem, the geographic focus of the People's Plan is on the Eastern Crescent, the site of the city's most acute displacement challenges.
3. The plan is best understood as a set of carefully vetted policy proposals. They are all culled from existing proposals in other cities, and the primary challenge to their implementation in Austin is political, not legal.

People's Plan Response to Staff Analysis

Resolution 1: Housing Trust Fund

In its report to the Anti-Displacement Task Force, NHCD staff submitted the following:

Low Income Housing Trust Fund:

- a Authors reiterated their desire to have the Low Income Housing Trust Fund comprised of only City funds and isolated from other funding sources. This makes sure the use of the funds is controlled by local regulations and not overridden by State or Federal regulations.
- b Authors wanted to maintain a focus on single family housing needs to insulate from market forces that are driving 1-2 bedroom units.
- c Authors requested that the 80% MFI be removed in favor of 60% MFI. Further, the authors suggested that the MFI percentage be calculated by census tract to be customized to the demographics of the area.
- d Authors repeated their intention to create an entirely new process for the use of the Low Income Housing Trust Fund, rather than mimicking prior processes.

This is an accurate summary of what was said. We also reiterated the following:

1. The proposed Low Income Housing Trust Fund should be initially funded via \$16 million from the general fund or bond revenue, and a policy should be adopted stipulating that at least 20% of all future general obligation bond funding should be diverted to the fund.

2. At least $\frac{1}{3}$ of all TIF revenue should be diverted to the fund. The city council should also explore decentralizing TIF governance; it is unusual for the city council to act as the governing board for every TIF in the city.
3. While the staff analysis is technically correct that the city council cannot *require* all city public pension funds to investigate and consider investing in low income housing within the Austin city limits, it neglected to mention that the mayor appoints six members of the City of Austin Employees' Retirement System eleven member board and that one member of the board is currently a sitting city council member. Many cities utilize public pension funds to help tackle the affordability puzzle, and many mayors have utilized their appointment authority to do so. Will Austin's?

Resolution 2: Right to Stay/Right to Return

1. I do not believe that the implementation of this policy requires "modeling." This resolution should be implemented *immediately*, in concert with Resolution 3, which would maximize use of city owned land for anti-displacement and affordability purposes. The staff analysis neglects to mention that the legal workaround utilized in the City of Portland entailed a right to return for families that were displaced during the Urban Renewal era of the 1950's and 1960's. We know the exact addresses of families that were displaced in Austin during that period, and could follow the precedent established by cities such as Portland or San Francisco tomorrow if we so chose.

Resolution 3: Use of City Owned Land for Low Income Housing

1. This effort should be implemented *immediately*. At our meeting we reiterated a key component of the People's Budget, which we also crafted, namely a stipulation that displacement in Austin constitutes an emergency and that planning and development review obstacles should not serve as an impediment to the construction or preservation of low income housing right now.

I consider Austin's displacement and affordability crisis to be a man-made disaster that is often exacerbated by natural disasters such as floods. Moreover, the Austin auditor's finding of over 540 mostly un-acted upon resolutions or recommendations in this area over the past 18 years should be a source of shame for Austin's leaders over that time period. This is not an issue that requires further analysis, discussion, or further delays. An RFP implementing this resolution at sites such as the Levander Loop property, now the site of the animal shelter and Austin Public Health, could have been issued a decade ago.

Resolution 4: Establish Resolutions Regarding Inadequate Drainage

1. Many of our city's environmental regulations look good on paper, but fail on the ground. Sidewalks to nowhere are symptomatic of how our city's piecemeal approach to regulation falls short. We need an ecosystem approach that recognizes that it is unwise and unjust to direct development to areas that do not have the infrastructure to support it. A culture of "development should pay for itself" is neither sufficient nor appropriate; infrastructure and environmental protection dollars should be spent equitably regardless of the real estate development picture.

I agree with many of the staff recommendations, such as the use of impervious cover as opposed to gross floor area as a gauge to measure development intensity. However I emphasize that the prevention of displacement from flooding is more than a paperwork exercise; it requires post-permit monitoring that is consistent, long term, fair and cumulative impacts based. There are too many examples in the Eastern Crescent of the reality on the ground differing substantially from what was permitted. Code Enforcement and other entities should be monitoring compliance more systematically, especially in high impervious cover situations and throughout the low-infrastructure Eastern Crescent.

Resolution 5: Expand Use of Conservation Districts and Historic Districts

1. I disagree strongly with the staff's assertions concerning conservation districts. I also pointed out the shocking degree of inequity that exists within our existing conservation and historic districting programs.

The overwhelming majority of historic landmarks in Austin do not lie in the Eastern Crescent, they commemorate the history of richer, whiter West Austin. Not only does this foster a racist conception of our city's history, residents of the Eastern Crescent are compelled to subsidize their own displacement by supporting the generous tax breaks owners of those historic properties receive.

The staff's citation of the University of Texas study *Uprooted: Residential Displacement in Austin's Gentrifying Neighborhoods, and What Can Be Done About It* lacks context and cherry picks a facile claim by the study's authors: "There is no evidence yet of neighborhood stabilization tools permanently halting displacement of vulnerable residents—as long as the real estate market in a city is hot, market pressures will eventually catch up in a neighborhood where these tools are used."

Setting aside the fact that there actually is such evidence that is well known to historic preservation professionals domestically as well as abroad, we should also point out that significant evidence for the efficacy of such neighborhood stabilization methods does exist in Austin—in richer whiter neighborhoods such as Hyde Park. Hyde Park's neighborhood character is conspicuously protected. My position is straightforward: if conservation district based design standards and historic districts are good enough for Austin's original segregated suburb, they are good enough for the Eastern Crescent in 2019.

Regarding the University of Texas study more generally: not only does that study have fundamental flaws, such as a lack of qualitative data grounded in social science fieldwork (e.g. the study's authors never came before the Montopolis Neighborhood Association), its empirical conclusions are debatable. If it is true that the people closest to the problems should be the people most empowered to solve them, we urge the city council and task force to prioritize the People's Plan and its recommendations instead.

Resolution 6: Implementation of an environmental quality review program

1. The People's Budget proposes the initial establishment and funding of a new program that implements this provision via the consolidation of three positions from the Watershed Protection department with two positions from Austin Public Health. We envision a local program modeled on NEPA (National Environmental Policy Act), the CEQA (the California Environmental Quality Act) and the City of New York's environmental quality review process. Staff's analysis neglects to mention the Joint Sustainability Committee, which as a joint committee would be the logical commission to furnish advice to the city council regarding this program, not just the Environmental Commission.

At root, the intent of this resolution is maximum public disclosure of foreseeable impacts *before* they occur. The focus should be on the *human environment*, not just on open space, watersheds or endangered species. At core, this resolution envisions strong focus on environmental justice and upon the cumulative impacts of discretionary decisions made by the city.