



RECA

REAL ESTATE COUNCIL
OF AUSTIN

Affordable Austin: Why Can't We Build the Housing We Need *Executive Summary*

A Vision for Austin

In 2012, the Austin City Council unanimously adopted the Imagine Austin Comprehensive Plan, a 343-page blueprint for the city's future shaped by the input of thousands of Austin residents. Significant growth was a given, but the plan committed the city to move away from the unsustainable, sprawling land use patterns it had long relied on to absorb new residents.

But three years later, Austin is steadily losing ground in its efforts to become a "beacon of sustainability, social equity, and economic opportunity" as Imagine Austin envisioned. The necessities of life, especially housing, are less affordable and accessible to the majority of Austin residents than ever before.

The Real Estate Council of Austin (RECA) has called for the City of Austin to establish a goal of adding *at least* 100,000 new housing units by 2025 to help bring the market back into balance and stabilize prices. But even this won't be enough to put Austin on a sustainable path unless we make the policy changes necessary to enable and encourage all kinds of housing, in all parts of town, at a variety of price points.

The latest RECA white paper identifies two main categories of obstacles to building the housing we need:

1. **Regulatory barriers** created by the city's notoriously dysfunctional development review process and byzantine land development code. Substantial efforts are under way now to fix both of these interrelated problems, with the creation of the new Development Services department and the CodeNEXT effort to reform land use policies. While these are both worthy efforts, the city must also take advantage of opportunities at its disposal right now to reduce development delays that are adding tens of thousands of dollars to the cost of new housing, driving up Austin's rents, crippling efforts by nonprofit developers to produce income-qualified affordable housing, and placing the city at risk of violating federal fair housing laws.

- 2. Neighborhood association opposition** to policies that enable the development of all kinds of housing in all parts of town, in direct contradiction to the vision of Imagine Austin. It's unclear whether traditional neighborhood associations actually or accurately represent any significant portion of the residents of the neighborhood they hail from. The city's obsolete and unrepresentative neighborhood plans, far from implementing the citywide vision of the comprehensive plan, undercut that vision at every step with rules and opt-out provisions that frankly discriminate against new residents and unfairly displace lower-income residents to the outer reaches of Austin. Neighborhood planning contact teams use these outdated plans to block projects that support the goals of Imagine Austin, though the roles and responsibilities of the city's contact teams are largely undefined and unregulated. Far from protecting the "character" of (generally affluent) central city neighborhoods from "greedy developers," this political dynamic is instead driving away the very people who gave these neighborhoods their "character."

RECA issues multiple calls to action to address these challenges head-on. Some would be simple — such as moving responsibility for completion of all reviews into the development review department using standards developed by the more than 10 other departments who currently provide reviews. Others would no doubt be politically difficult — such as requiring that adopted neighborhood plans either be updated to align with Imagine Austin, eliminating opt-out provisions, or be repealed entirely.

But Austin is in an affordability crisis, and RECA believes in forthright and courageous action to eliminate any and all barriers to building the housing we need, right now and in the years to come. Increasing housing supply is not the only way — though it is a necessary one — for Austin to address the affordability challenges being faced by all its citizens. But the market is ready to step up and meet the needs and incomes of far more Austin households if the city will just remove the many unnecessary barriers that make it so difficult and expensive to do so today.