



City of Austin

P.O. Box 1088, Austin, TX 78767-1088

April 7, 2021

The Honorable Philip Cortez
Chairman, House Committee on Urban Affairs
Texas House of Representatives
P.O. Box 2910 Austin, TX 78768-2910

Re: City of Austin Written Testimony Against House Bill 1803

Chair Cortez and Members of the House Committee on Urban Affairs:

The City of Austin opposes HB 1803 because the bill would create significant barriers and bureaucracy around municipal efforts to address homelessness in our community and could have far reaching impact on all of the City's affordable housing efforts.

HB 1803 could impact a significant portion of the housing needed to serve our residents at all levels of affordability – from homelessness to homeownership. Most of our city-supported housing developments are truly mixed income, serving households at income levels from 30% Median Family Income (MFI) to market rate. Accordingly, in addition to developments specifically dedicated to persons experiencing homelessness, this bill would impact a wide range of affordable housing developments that include units set aside for homeless individuals and families, including both senior and family properties, as well as workforce housing.

Developing and maintaining household affordability throughout Austin is a priority for the City and its residents. In 2017, the City of Austin adopted a Strategic Housing Blueprint that calls for the creation or preservation of 135,000 housing units over 10 years. Austin residents displayed their strong support for affordable housing when they overwhelmingly supported Proposition A in November 2018.¹ The City of Austin is currently in our third year of a five-year spend plan of that historic \$250 million investment in affordable housing. Funding includes \$100 million for the acquisition of property to be repositioned for affordable housing.

In order to participate successfully in a fast-paced and competitive real estate market, the City of Austin relies on reasonable and efficient approval processes. Multiple City departments work collaboratively to identify and assess potential properties for acquisition and converted operations and the City regularly searches for available properties in all Council districts with the goal of expanding affordable housing options across Austin.

While City real estate negotiations are typically kept confidential to maintain the City's ability to secure the best value for the property, once initial negotiations are complete, the purchase has to go before Council for approval and the public is given the opportunity for input. **Requiring additional levels of consultation and approval – as contemplated in HB 1803 - runs counter to effective and responsible real estate transactions.**

¹ Prop A passed with nearly 73% of the AUSTIN voters who live in Travis County.

In the spirit of the stated purpose of the bill to require coordination between cities and counties and ensure adequate resources are available to a particularly vulnerable population, the City would like to request that language be amended to require counties to come to the table as well.

As the bill is written, a commissioners court would be able to decline to even consider a plan submitted by a city. We would respectfully request that the bill be amended to add language stating that County approval to the operation of housing for homeless individuals by a municipality is granted unless, not later than the 60th day after the date on which notice is received by a commissioners court, the commissioners court determines by resolution after a public hearing that the operation of the housing at the proposed location fails to remove impediments to fair housing choice, affirmatively further fair housing, and fails to meet the plan requirements under Section 244.042. A resolution described in this subsection must specifically identify how the housing fails to remove impediments to fair housing choice and how the municipality's plan fails to meet the plan requirements under Section 244.042. We believe that this language, and giving the city an opportunity to cure any deficiencies identified by the county, would go a long way toward ensuring that local governments truly work together to meet the needs of individuals experiencing homelessness.

In conclusion, the negative implications for affordable housing throughout the State of Texas are far reaching. We urge your reconsideration of HB 1803.

Sincerely,



Dianna Grey
Homeless Strategy Officer
Austin Public Health



Mandy DeMayo
Housing and Community Development Officer
City of Austin Housing and Planning Department