



HOUSING  
DEPARTMENT

# City of Austin 2024 HUD Pathways to Removing Obstacles (PRO) Grant Proposal

October 10, 2024

Project Connect Community Advisory Commission



**Update the  
Austin Strategic  
Housing  
Blueprint and  
Opportunity  
Mapping Index**



**Create New Zoning  
Tools to Unlock  
Missing-Middle and  
Urban Mixed-Use  
Development**

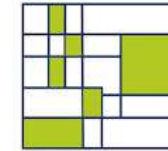


**Develop and  
Preserve  
Affordable Housing  
Near Planned Light  
Rail Investment**



## Grant Basics

- Supports efforts to remove barriers and increase affordable housing production
- In 2024, HUD awarded 21 PRO Housing grants Austin applied in 2023 but was not selected
- The second PRO Housing round offers \$100 M
- Up to \$7M per award
- Performance period: 2025-2030
- Priority: Given to applicants showing commitment and progress in overcoming local barriers to affordable housing, with acute demand (Austin qualifies as a priority geography)



**PRO HOUSING**  
Pathways to Removing Obstacles



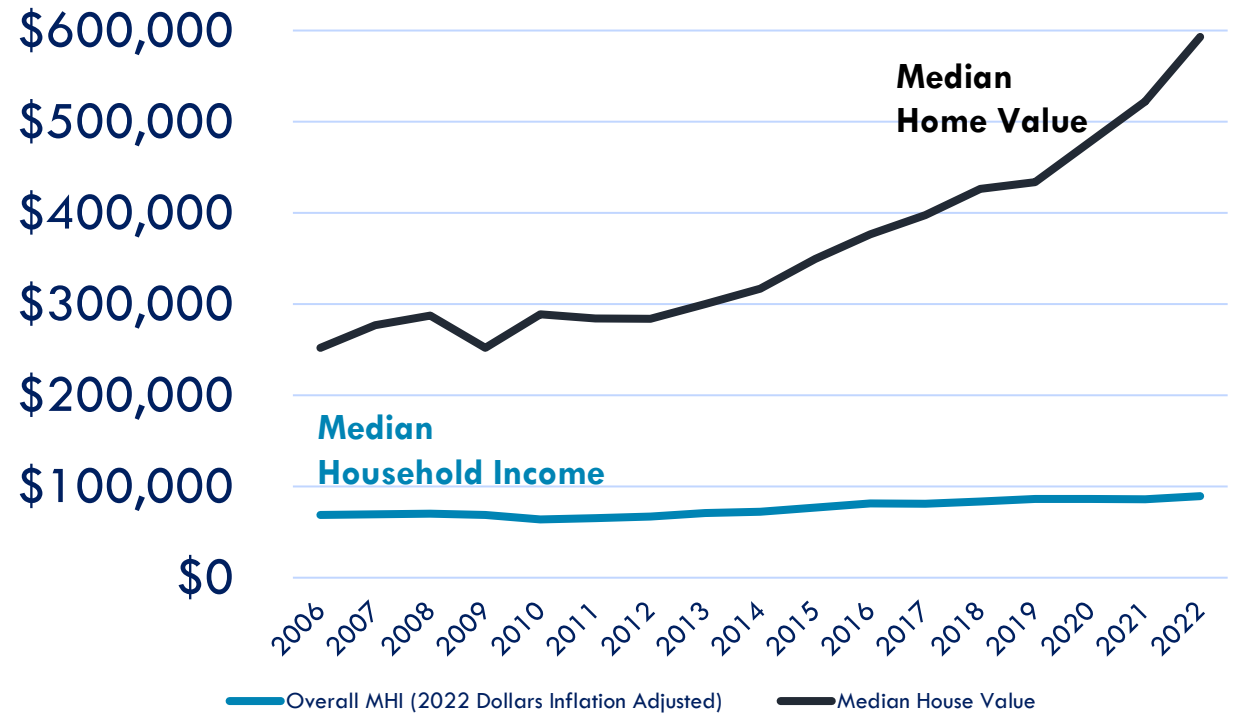
The Arnold - 1621 E 6th St Austin TX 78702



Need

- Austin, Texas is listed as a priority geography with acute demand for Affordable Housing, due to:
  - Unequal geographic distribution of affordable housing
  - A high ratio of median home price to area median income
  - Rising number of individuals who are homeless
  - Heavy displacement pressure
  - Aging rental housing stock




Austin Area Home Prices Vs. Median Household Income



Source: American Community Survey 2006-2022 1-Year Estimates, Tables B19013(A-I) and B25077



**Key Barriers to Affordable Housing**  **Goals**

- **Socio-Political Barriers:** Lack of updated action plan to meet housing goals, disparities affecting protected classes, uneven affordable housing distribution, and lack of public transit and infrastructure in key areas  **Improve the City's ability to meet housing goals through updated data and resource alignment**
- **Regulatory Barriers:** Slow, complex regulatory processes and exclusionary land use rules  **Revise city regulations to ensure a wider range of housing options**
- **Economic Barriers:** Mismatch between incomes and housing costs, high land and construction costs, financing challenges for affordable housing, and housing supply shortage  **Invest in affordable housing near planned light rail to ensure easy access to transit, jobs, and services.**



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# Update the Austin Strategic Housing Blueprint and Opportunity Mapping Index

- Revise the Opportunity Index, last updated in 2017, to better guide housing distribution and mitigate displacement risks.
- Incorporate new programs and policies not included in the plan such as Project Connect, displacement prevention programs, new real estate tools, and resolutions from Council.
- Update the action plan to ensure each action is linked to preserving or creating affordable housing units, with projected unit outcomes to improve reporting and evaluation.
- The PRO Housing grant would go towards consultant fees to assist with a progress report, updated Opportunity Mapping Tool, updated Action Plan, and a new FTE to help with GIS mapping and implementation tracking
- **Timeline:**  
Progress Report and Data Analysis (Q1-Q2 2026)  
Opportunity Index Update (Q1-Q4 2026)  
Action Plan Revision (Q1-Q4 2027)





# Create New Zoning Tools to Unlock Missing-Middle and Urban Mixed-Use Development

- Today, mixed-use development is mostly prohibited outside a few overlay zones, with no mixed-use base zones available
- Missing Middle Housing (MMH) types, such as fourplexes, cottage courts, and multiplexes, are prohibited in single-family zones and are difficult to develop under existing higher density residential zones
- A comprehensive and thoughtful approach is necessary to avoid complicating the land development code and to ensure changes are clear, effective, and financially feasible for all development types
- The PRO Housing grant would go towards consulting services for community engagement and zoning tool recommendations.
- **Timeline:**  
Initial Groundwork (Q3 2024 – Q2 2025)  
Grant-Funded Work Program (Q3 2025 - Q2 2026)







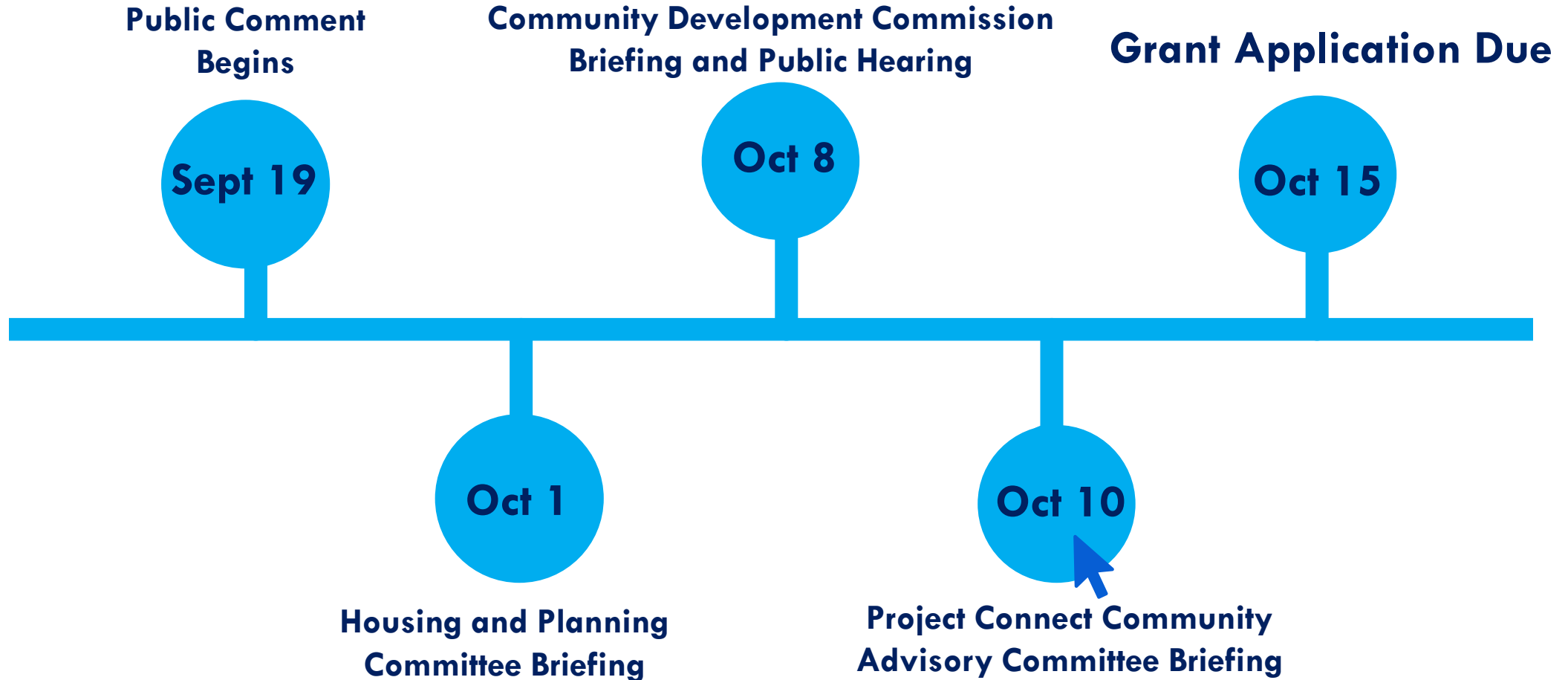
## Development and Preservation of Affordable Housing Near Planned Light Rail Investment

- The Austin Housing Finance Corporation (AHFC) is addressing displacement and development pressures along the North Lamar and South Congress transit corridors, aligning its initiatives with the city's Equitable Transit-Oriented Development (ETOD) Policy Plan and Project Connect, which aim to promote affordable housing, sustainability, and inclusivity around new transit infrastructure.
- The PRO Housing grant would help close an estimated 5% financing gap for the Ryan Drive Redevelopment, fund a new FTE for land acquisition, and cover consultant fees for property solicitation due diligence along the South Congress Transit Corridor.
- **Timeline:**  
Ryan Drive Development (Q2 2024- Q3 2027)  
Congress Development (Q4 2025 - Q1 2029)





# Grant Timeline





## **Communications & Public Comment Webpage**

[www.SpeakUpAustin.org/PROHousingGrant2024](http://www.SpeakUpAustin.org/PROHousingGrant2024)



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**Thank you!**

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