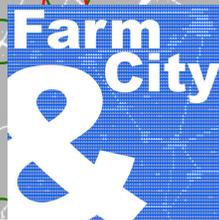


Growing Weirder

Understanding Austin's Growth and Potential

**EquitableATX Development Fund: A proposal
for neighborhood-powered ETOD fund(s)**

Jay Blazek Crossley
Ashkan Jahangiri
Andrew Mayer
Laura Thomas



What is TOD?

Transit-Oriented Development means being able to walk to the store

Transit systems tend to work better when more people have the ability to live, work, or study within walking distance of transit stations.

Transit stops are valuable only insofar as they grant access to the various amenities of a healthy city.

Concentrating development around these stations encourages people to use them and gives more citizens access to all the benefits of a major metropolitan region. Cities become healthier, more equitable, and more affordable for all with safe, multi-modal access to education, social spots, community life, and everyday needs.

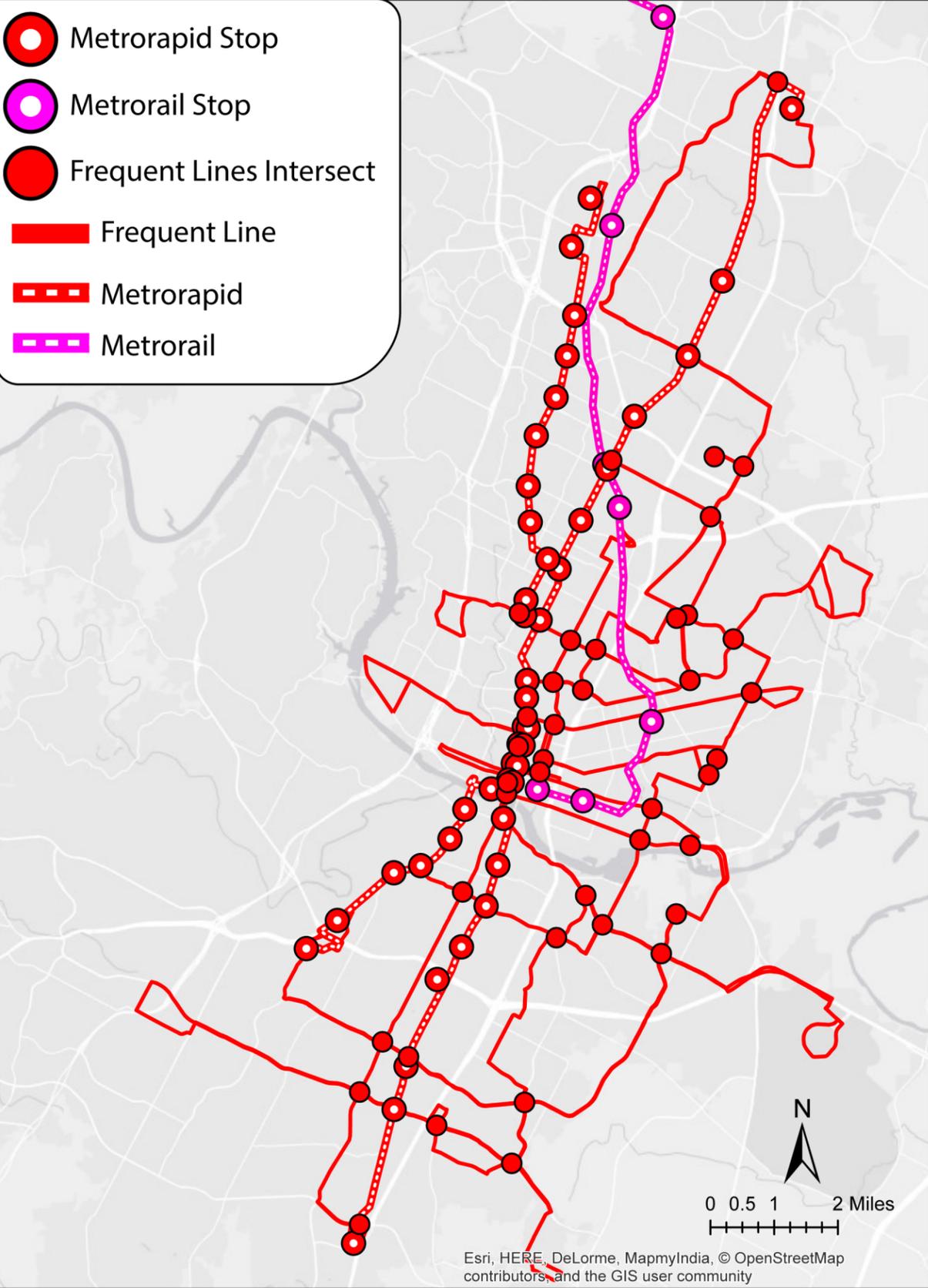
TOD encourages these benefits by concentrating urban development around transit access. Strategies include prioritizing high density, walkable design, and

mixed-use development in the vicinity of transit centers, among other tactics.

We have ample opportunity to use these tactics across Austin. Unfortunately, our marketplace drives developers and public entities to provide less than optimal solutions.

Austin's concept of TOD has been restricted to what academics call "transit-adjacent development." Fear of moving beyond this system exacerbates displacement, traffic, and limited community cohesion.

TOD reflects the modern understanding intersectional land use: a diverse mix of functions concentrated within a half mile of high-quality transportation. If appropriately implemented, TOD can empower Austin to be a walkable, environmentally sustainable, and affordable city.





The Benefits of Density

For a walkable and accessible urban environment, look up

Allowing density means allowing freedom.

From an urban planning perspective, density of people and jobs is the single most impactful precondition for a walkable, accessible urban environment.

Transit and density have a synergistic relationship. The immediate area around transit stops provides cities with an ideal locus for compact development. Robust public transportation facilitates accessibility between walkable urban areas, granting unprecedented safe, affordable access to social and urban amenities.

A high number of jobs, housing, and social centers connected through public transportation benefits all community stakeholders. Businesses save money on parking and are guaranteed consumer traffic. People who live and work in these areas are allowed greater options and increased access to the city. The city itself benefits tremendously from generation of a robust, diverse tax base and savings on infrastructure costs.

Mixing residential and commercial land uses in the built environment recognizes that quotidian human life switches fluidly between different needs.

With dense development, Austin residents can enjoy smoother, healthier days while avoiding the stresses and dangers linked to car dependency.

Efficient use of space also allows urban green spaces to be preserved within the fabric of communities. It also preserves

regional open space, maintains pervious surface, and naturally promotes green floodwater mitigation methods.

Dense land use decreases traffic and associated pollution by helping citizens cut down on vehicle miles traveled. Density is also the solution to avoiding sprawl, which has known negative economic impacts for people, businesses, and municipalities.

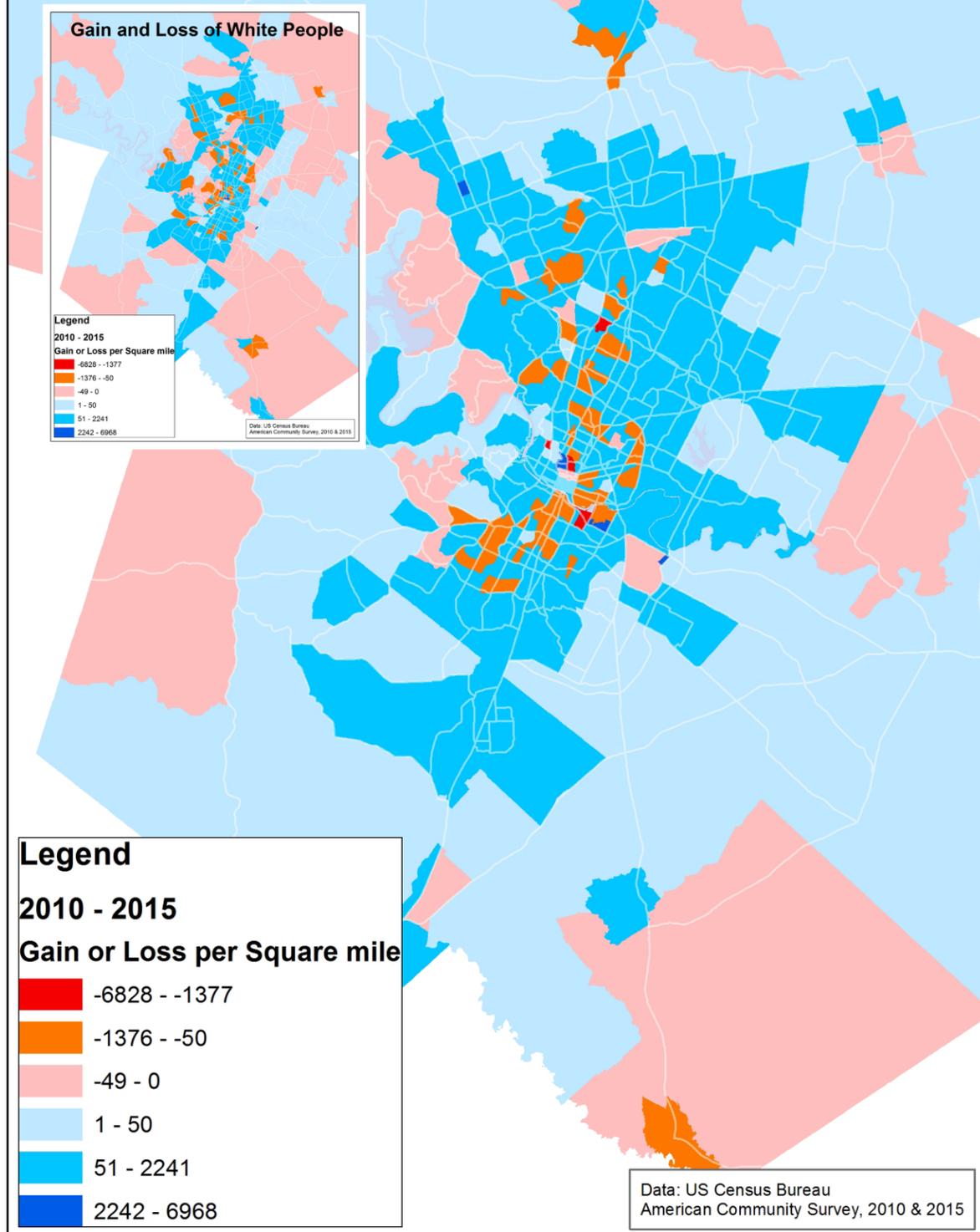
Density helps governments provide each resident with access to the things they need, amplifying the effectiveness of public spending on a variety of services.

As explained in our complimentary report, "Housing + Transportation Affordability by Urban Form Across the Austin Region," dense development is particularly helpful in promoting affordability. Through dense development, urban Austin residents benefit from lower average housing and lower average transportation costs compared to their sub-urban and rural counterparts.

Density is built into the foundation of Texas's success. Early in the 20th century, our state's economic prowess was born on walkable urban streets often connected by streetcar. Unfortunately, through decades of unfocused development, many Texans no longer enjoy the advantages of density.

Through policy reform, we can make the benefits of dense development available to all.

Gain and Loss of People of Color



Displacement is Real

Some Austin residents experience terrible consequences

Throughout the 20th century American urban development catered to the needs of small, privileged sectors of the population at the direct expense of low-income communities and communities of color. This was no less true in Austin, which famously red-lined and purposefully segregated communities of color, casting them off east of present-day I-35.

Thankfully, today's urban planning initiatives are increasingly informed by more appropriate, factual data, with the goal of balancing the needs of existing communities with the predictable demands of the future.

We now aim to consider all relevant factors in the implementation of any policy. Transit-Oriented Development is a perfect example, as it recognizes that the equity-promoting benefits of transportation depend on an urban environment that allows that transit to flourish.

This updated methodology is an improvement on prior methods and, when enacted successfully, no longer exerts the will of a select minority at the expense of other stakeholders.

Even so, people are rightly upset about displacement in Austin, as they are in most growing American met-

ropolitan regions. Our academic and political understanding of the experiences of displaced people is seriously lacking.

We know that many people and families suffer drastic life changes that rip them from their communities, and we know that these changes disproportionately affect people of color and other historically disadvantaged communities. Unfortunately, we don't yet have good data on how exactly these problems manifest across the region.

The average American moves every seven years. While we cannot realistically aim to eschew that trend, we can look out for those that suffer disproportionately from our past mistakes. Steps must be taken to provide affordable, location-efficient housing options for all people in the Austin region. We can shape public policies to bring meaningful solutions to disadvantaged communities.

The solutions thus far have been an improvement on measures of the past, but will not bring equity to the Austin region until it is an explicit goal of our policies.



What is ETOD?

Equitable Transit-Oriented Development is a suite of people-centric policies

Equitable Transit-Oriented Development is a suite of policies intended to provide people of all demographics and income levels with access to housing options in healthy, walkable, transit-oriented neighborhoods.

In growing regions like Austin, ETOD is a crucial set of tools for ameliorating the negative effects of displacement and rising costs of living.

ETOD combines the strategies of Transit-Oriented Development with social conscientiousness. It augments TOD strategies with targeted affordability measures such as mandated levels of affordable housing.

Austin is working to undo the harmful effects of systemic injustices through bold corrections like CodeNEXT. Past laws racially and economically oppressed Austin to the point where envisioning an equitable region can elude imagination.

Equity is not an unreasonable goal; it is a requirement for the health of our region and our people. We are responsible for guiding growth and development to best provide meaningful options for all community members. ETODs holistically consider the needs of the community to enable maximum affordability.

What is a TOD Fund?

One increasingly prominent ETOD strategy is establishing metropolitan- or city-based Transit-Oriented Development Funds--most of which explicitly pursue equity and ecologically-minded goals.

Denver, San Francisco, Boston, Detroit, and San Diego have all established TOD Funds in the last decade, dedicating tens of millions of dollars to building sustainable neighborhoods for all.

TOD Funds combine public housing funding, private philanthropic impact capital, and bank funds to develop complex financing packages to fill shortfalls in financing mixed-use, mixed-income, walkable urban locations that are such a crucial element of Texas's future.

TOD Funds always require a certain level of affordable housing units for a developer to utilize the fund. The funds are designed to work for private developers as well as nonprofit, mission-based housing developers.

Projects are only eligible for TOD Funds if they are within walking distance of high quality transit, which reduces transportation costs for the intended beneficiaries of the housing.

City of Austin Working Capital \$5 million

The City is poised to invest \$250 million in affordable housing in a variety of programs. Dedicating 2% of this to a revolving TOD Fund will mean establishing a permanent affordable housing investment vehicle and leveraging private (non-profit and for-profit) capital to maximize the benefits. Setting up a TOD Fund is also an excellent way to get developers to do what you want, as it gives the city the ability to set parameters for accessing the fund based upon guiding city documents, such as the Strategic Housing Plan, Imagine Austin, the Climate Action Plan, and the Austin Strategic Mobility Fund.

+ Local Foundation Working Capital \$5 million

The major foundations of the Austin region have been focusing on doing more with money that most foundations have not traditionally thought of as available for doing good: their investment capital. A TOD Fund can achieve these foundations' equity and sustainability goals by leveraging their substantial assets to generate more money for worthy causes. Foundations and cities can play a catalytic role in TOD Funds by taking higher risk positions, such as supporting pre-development costs.

+ Private Bank Community Investments \$5 million

Financial institutions carry a suite of community based investments, including some required by federal law. TOD Funds can be an attractive vehicle for banks to meet their community supportive obligations while making a reasonable return on their investments.

+ Legalizing Sustainable, Equitable Development free

All investments in affordable housing in the Austin region will be limited in their success by the extent to which local government code improperly regulates development. Inefficient land-use regulations, like requiring that affordable housing developments invest in car storage, limit access to housing in the City of Austin. We propose localized by-right land development codes that require developments to meet specific parameters derived through a community planning process (as described on the next spread). Finding the Austin recipe to undo the long history of counter-productive and exclusionary zoning will be a long, hard process, and must be addressed by our leaders. Allowing more homes in efficient locations is a key step.

= Leveraged Private Investments

The intent of a TOD Fund is to tweak the marketplace by providing incentives for private interests (non-profit or for-profit) to invest in projects that meet community goals, such as sustainability, affordability, or access and mobility. Successful investment of this public private partnership of \$15 million would procure many multiples of this amount in private investments in transit-oriented developments in Austin.

+ Traffic Crashes, Congestion, Air Quality, and Health Benefits

Organizing affordable housing investments through a TOD Fund can achieve multiple societal goals at once. The fund can be designed from the beginning to track all investments through the lens of major goals, such as equity and health benefits. Providing Austinites in need with meaningful affordable access to healthy, mixed-use, mixed-income complete communities is an effective traffic crash reduction strategy, an effective obesity prevention strategy, and an effective mitigation strategy for the problems of income inequality.

+ Healthy Homes for Austin Families

Few things can do more for low-income families than meaningful access to affordable housing in mixed-income, mixed-use healthy neighborhoods with abundant access to work, education, and life. We can quantify these benefits comparably to the other proposed benefits of an ETOD Fund as well as compared to other investments in infrastructure, such as road expansions or parkland investments.

\$5 million City of Austin investment

\$5 million Local foundations investment

\$5 million Private banks investment

\$250 million Intended 10-year benefits from ETOD

EquitableATX Development Fund

Our proposal for a new tool to achieve a sustainable, equitable Austin region

Here is our proposal: Austin needs a TOD Fund. Soon. Equitably. We want to start an ETOD Fund this year.

Specifically, it should be an equitable, social good investment fund that is available to people wanting to build things that improve our community that include meaningful amounts of affordable housing for low income people, confined to a specific geographic subset of the Austin region defined by access to high-quality transit.

The circle maps in this report show an initial estimate of what the Austin TOD Zone should be, an attempt to define our location-efficient area. You might notice quickly that this is much bigger than the heavily discussed TOD zones within walking distance of Austin's Red Line. These maps are based upon all good transit access, not upon mode.

There is a reasonable assumption that transit agencies will be able to continue providing better and better service in places that are efficient to provide service, even when the only level of commitment is pads and benches for bus stops and the will of the community attached to existing transit service.

In the TOD Fund model, public funds are added to not-for-profit philanthropic funds as well as community investments from for-profit financial

institutions. Many communities across the US - especially those successfully redesigning their cities to be more livable and accessible by transit - have created these TOD Funds.

We are not reinventing the wheel, but we could tune it to Austin's reality.

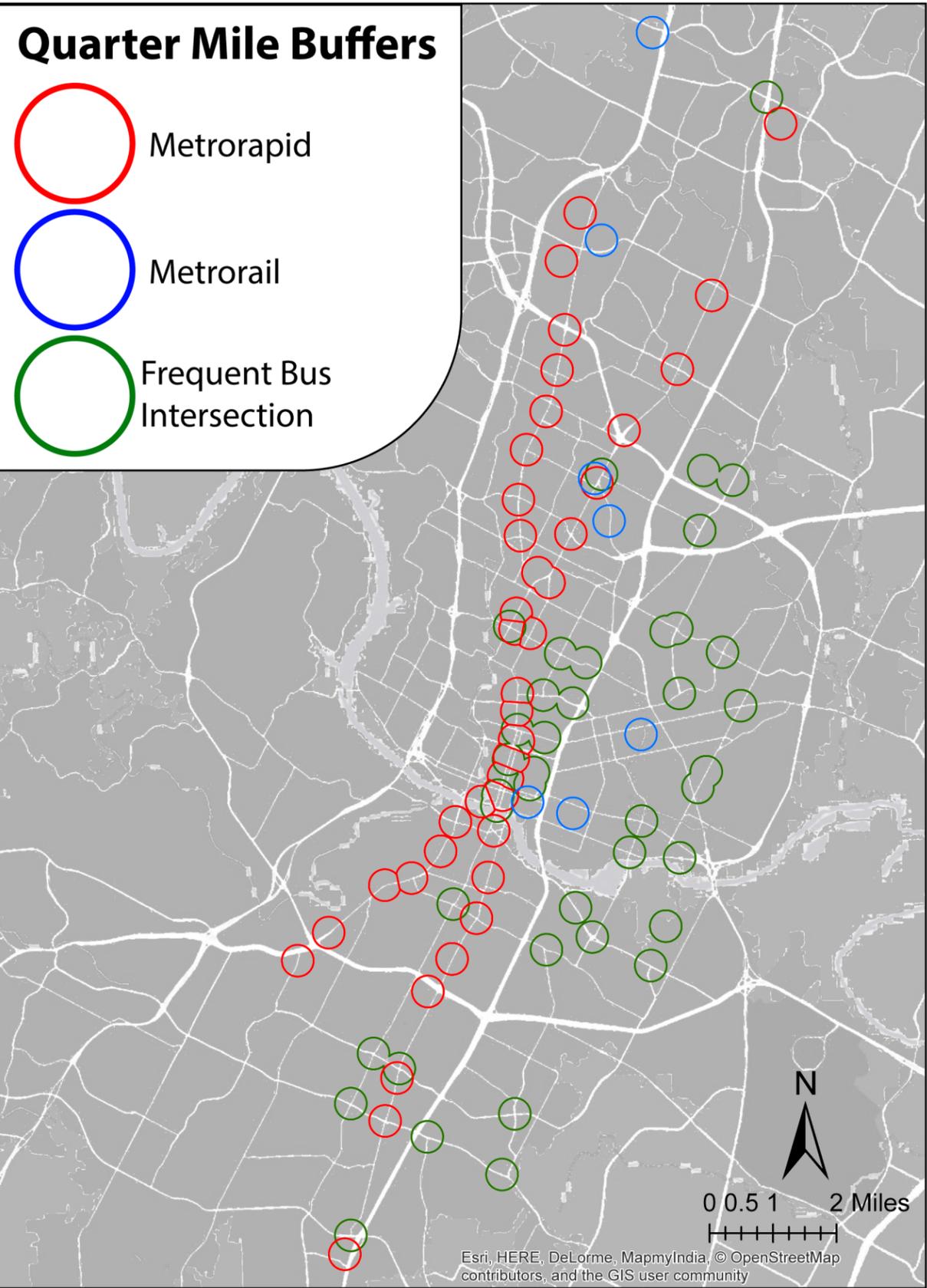
Farm&City will keep working on this proposal, but we hope to start building a growing collaborative of leaders interested in finding solutions.

We think a charrette before the end of the summer should include charitable nonprofit, philanthropic, elected and public officials, developers, community activists, and policy analysts.

We hope to build a solid foundation of what an ETOD Fund could do for Austin, and a general framework for tuning this instrument to meet the vision and goals of the people of Austin.

We have institutions in Austin - some that are very recently off the ground - that might be able to handle this complex work. We have forward thinking foundation leadership ready to invest their equity in good.

We have a public desperate for affordable housing answers that fit into Austin. We have elected leaders ready to guide Austin's growth to benefit all.



Community Powered Fund(s)

Funding can be tailored to neighborhood wishes within a growing region.

TOD Funds across the nation are encouraging certain types of development investments to achieve community goals. We have the chance to set up Austin's ETOD Fund to embrace local preferences and existing residents through a complex set of funds based on local needs.

We should work to utilize public and private capital to achieve public goals.

We envision creating a base program for the EquitableATX Development Fund that focuses on adding density that includes people of all incomes and backgrounds within that density. In addition to this base goal, the people currently living, working, and connected to particular areas should be encouraged to weigh in on policy options that further encourage desirable development.

For example, the ETOD Fund's base interest rate might be set at 6.2%, and would encourage developers to build affordable housing in an efficient location. The fund manager could develop certain funding strategies to lower that interest rate should the developer meet further community goals.

Each community could choose the traits they would like to encourage from a menu of options that a develop-

er - public or private - might accept to lower their rates.

Some desirable development goals could include, but not be limited to:

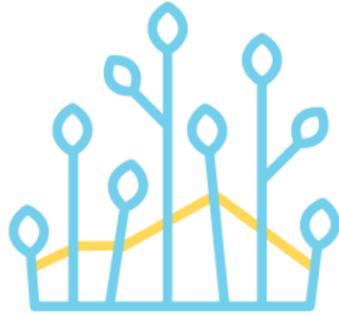
- Healthy food
- Access to jobs
- Access to schools
- Community life
- Community places
- Mixed income
- Mixed use

Perhaps a community might want to invest this interest rate opportunity cost in supportive housing for seniors, or for green building, green energy, or safe streets treatments.

We envision a centralized fund committed to providing access to healthy, affordable housing options for the people of the Austin region--including low-income options. This fund could potentially be available from day one at all locations that meet the efficiency requirements.

Communities would have the option of working with the fund manager to develop extra incentives for development in their area, based upon that particular community's desires. Ideally, city regulations would be removed for projects that meet community desires.

Growing Weirder is made possible by the generous contributions of these equitable sustainability focused entities:



**GREATER AUSTIN
NEIGHBORHOODS**

Blazek & Vetterling | CERTIFIED
PUBLIC
ACCOUNTANTS



Growing Weirder

Understanding Austin's Growth and Potential



We can tell a new story of Texas metropolitan growth that empowers communities to engage in more productive conversations to build the future they want.

We can provide the analysis decision-makers and the public need to optimize our freedoms, our environment, and our quality of life. We can begin to shift our thinking to treat our growth as a shared responsibility and opportunity to complete our communities.

We intend to substantially impact the outcomes of City of Austin's CodeNEXT, Capital Area Metropolitan Planning Organization's Regional Transportation Plan, Capital Metro's Project Connect, City of Austin Strategic Mobility Plan, state legislation, and various related public processes, such as local budgets and bond proposals.

Displacement is real. Profit and abundance are real. Successful mixed-income, mixed-use community building is also real. We need to determine strategies and best practices that will minimize displacement, maximize affordable housing units in accessible and affordable locations, and achieve citizen priorities. The region's policy-makers and finance community need to learn the lexicon of location efficiency.

We need a holistic set of understandings of growth, best practices for equitable policy making, and synergistic transportation policies to produce true affordability.

Ultimately this work is intended to provide affordable access to a high quality of life to all the people of Austin.

We must measure our success by the ability of low income and disadvantaged people to live comfortably and access all the benefits of a modern city. We are trying to change the paradigm of growth, development, and transportation in their favor, but it will take time.

This report is part of a series of in-depth investigations on the various consequences of our major land use and transportation policy decisions. This is necessarily messy- our built environment impacts every aspect of how we live our lives in ways that aren't obvious and that we are only beginning to understand.

Other Growing Weirder reports took a closer look at affordability, how City of Austin policies limit the amount of people allowed to live in the City, and the environmental sustainability issues inherent in public policies decisions about regional growth.

A map of Austin, Texas, with various colored circles (red, blue, green) scattered across it, likely representing data points or locations of interest. The map is overlaid with a semi-transparent grey box containing text and a logo.

Growing Weirder

Understanding Austin's Growth and Potential



Board of Directors

Megan Elizabeth Howse Brendle
Jacob Clifton
Benjamin Lorenzo DiPietro
Gilberto Francisco Miranda

Executive Director

Jay Blazek Crossley, M.P.Aff.

Policy Analyst

Ashkan Jahangiri

GIS Analyst

Andrew Mayer

Strategic Development Intern

Laura Thomas

Updated and republished June 8, 2018

<http://www.GrowingWeirder.org>

Growing Weirder is a project of Farm&City, a 501(c)(3) nonprofit
that could use your support at <http://www.FarmAndCity.org>