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## Neighbors from Across Austin's Eastern Crescent Respond to Recent Ruling on Austin's Land Development Code; Call for Racial Equity, Public Safety, Neighborhood Stability and Community Health to be Prioritized in a Time of Crisis

The following statement was developed by a coalition of renters, homeowners, and anti-racist organizers following the lead of those who live, work, and worship in Austin's Eastern Crescent: South & Southeast Austin (78745; 78744/ Dove Springs; 78741 / Montopolis); North Austin: Quail Hollow, North Austin Civic Association, (78758/78753), Northeast Austin (East M.L.K., Windsor Park), Montopolis (78741); and Central East Austin neighborhoods: Holly, Blackshear, Rosewood, Govalle, Gardens (78702) and Rogers Washington Holy Cross (78722); all in Districts 1-4.

These statements are also endorsed by the groups <u>Communities of Color United for Racial Justice</u>, <u>Eastside Guardians</u>, <u>PODER</u>, and the <u>Austin Branch of the NAACP</u>.

The current crisis makes it as clear as ever that our networks of trusting, grassroots relationships, rooted in community, are crucial to achieving racial equity, health, and good public policy. Knowing who to contact and what is happening on the ground is key to responding to those most impacted in this crisis, and building a more equitable, healthy and resilient society for our wellbeing in the future.

The City of Austin has a duty to find immediate ways to support communities of color and those facing economic insecurity, while halting policy decisions for profit-centric development (including upzoning in the Eastern Crescent), and taking action on long standing needs, instead.

The first step in addressing inequities is to engage and listen to the community—those who have been most impacted. For years, these communities expressed concerns about displacement, lack of affordable housing, razing and replacing existing affordable rental units, flooding, and inadequate drainage infrastructure. We asked for better parks, more open space, watershed protections, and a safe community environment.

These changes do not require a comprehensive re-write of the land development code (L.D.C.). They can be addressed, now.

In fact, low-income renters, homeowners, and Austin's most racially diverse and historic communities of color impacted by gentrification have never asked for an overhaul of the L.D.C. or the removal of public review on so many critical issues. No proponent of the rewrite could demonstrate to the community how form-based zoning, increased impervious cover, incentivized development of condos in once-affordable neighborhoods, and reduced public review would achieve the objectives the community prioritized. There was evidence that the proposed upzoning could make things worse for many of us and our neighbors.



Therefore, we saw the recent ruling on the lawsuit against the City of Austin for its actions on the L.D.C., as a sound ruling on a NECESSARY action of last resort, because of our elected officials' and staff's repeated offenses to the public process including 1) a lack of proper notification, 2) deliberate misinformation regarding notification and protest rights, 3) the exclusion of directly impacted people from critical land use decisions that could negatively impact them, including and especially low- to moderate-income residents and communities of color, and 4) a lack of action on recommended equity impact analyses and proactive anti-displacement measures.

## We're still here and we are still prepared to work toward solutions that the community has proposed. We urge our City's leadership to:

1) Listen and follow the lead of the people most directly impacted: Prioritize funding allocations and decision-making around those rooted and living in communities most affected by the current crisis and its compounding effect on displacement, flooding, and other climate and health shocks and stressors that impact people whether they rent, own, or are experiencing homelessness.

2) Prioritize the critical changes to our code and ordinances that will directly improve outcomes for people most impacted by these issues, without tying them to blanket upzoning that benefits real estate interests (fuels speculation) and threatens neighborhood stability.

3) Recognize that low-income homeowners—and those renting from homeowners—can be severely impacted by inequitable decisions that cater to high-income renters. People of color—particularly <u>African Americans—are disproportionately impacted by loss of homeownership</u> and risk of eviction; that <u>Austin ties Denver for high displacement rates of Latinx residents</u>; and that many displaced residents facing instability and longer commutes, are former homeowners. Use lived experience and an equity lens to address these disparities.

4) When it is time, we have adapted our processes, and true engagement can take place, address land use changes through quality community planning:

- **Small Area Planning**: Reengage residents with existing neighborhood plans, and prioritize the creation of new neighborhood plans for the most impacted areas that do not currently have them
- **Don't "plan with code:"** Instead of prescribing changes with new and complicated jargon, engage and listen to community concerns, priorities and equitable solutions. Instruct your staff to write code that reflects these plans.
- **Implement new and long standing recommendations** for safety, health, anti-displacement, climate resilience, and community stability, rooted in equity.

5) Pledge to stop using funds for public relations campaigns, external consultants and legal fees to promote a broken process, and invest in community engagement, instead.

Now is the time to support each other in tackling the challenges we face—a public health crisis in the midst of growing economic inequality, displacement, flooding, and systemic racism, together. These won't be fixed by a new LDC, lessened environmental protections, or incentivized density, but we've got other tools: community knowledge, policies, and new practices for public safety, community stability, and resilience. Let's put them to use.



See below for a more in-depth read on the community issues surrounding the L.D.C.

The first step in addressing inequities is to engage and listen to the community—those who have been most impacted by the historical inequities. Impacted communities have expressed concerns about displacement, lack of affordable housing, razing and replacing existing affordable rental units, flooding, and inadequate drainage infrastructure, for many years. We have asked for better parks, more open space, watershed protections, and a safe community environment.

The community--those most directly impacted by historical inequities--never asked for a form-based zoning code or blanket upzoning. We didn't request easing of regulations and environmental protections to allow for denser development in our communities that would replace (or, rather, displace) existing affordable houses, apartments, and the people living in them. We didn't request increases in impervious cover.

The LDC rewrite process did not center directly impacted people: it was a new and confusing code being written by and for real estate developers and focused on the demand of upper middle and high-income renters and owners, often at the expense of lower income people and historic communities of color.

- **Code is not Planning.** Communities of color feel the impacts of untethered growth and cannot afford to wait for an ill-informed code update. Land development codes should reflect the vision and values of communities. Community planning means having a neighborhood-level conversation, creating consensus around a plan, and having staff write a code to support it. Passing a citywide land development code in one swoop is, at its core, inequitable.
- The proposed "Equity Area Affordable Bonus Area" program was nothing but another density bonus program that threatened to incentivize the demolition of existing affordable apartments and homes to make way for luxury buildings with a 10% allocation of income-restricted units. Those income-restricted units would be unaffordable to the majority of residents in gentrifying areas and the vast majority of African American and Latinx residents of Austin.<sup>1</sup>
- Market-rate multifamily developments are not affordable to truly low-income renters. Our own demographer pointed out the city's extensive and unprecedented boom in multifamily development<sup>2</sup>, which is not addressing the affordability issue.

<sup>&</sup>lt;sup>1</sup> Median Family Income (MFI) for African Americans and Latinx residents in Austin is roughly \$44,000 and \$45,000, respectively, for a family of four. As verified by Erica Leak of the Neighborhood Housing and Community Development department at the last Equity Action Team meeting, an income-restricted rental unit in this density bonus program would be accessible to a family with an income of at least \$57,000, and for ownership, \$75,500.

<sup>&</sup>lt;sup>2</sup> <u>Demographer's land code analysis scrubbed from Austin City Report</u> Austin American Statesman, March 3rd, 2020



- To add insult to injury, **the pro-LDC-rewrite council members and mayor** <u>voted</u> <u>against providing tenant protections in any bonus units</u>, favoring affordable housing developers who have complained about these protections without a solution in place.
- The proposed upzoning of single family and duplex properties in the code would have incentivized more McMansion-like redevelopment under the guise of a "preservation" bonus, designed by and for developers who specialize in redevelopment—not for affordable housing, but high-luxury flipping, which makes it even harder for low-income homeowners to stay,

No one has been able to demonstrate to the community how form-based zoning, easing of environmental protections, increasing impervious cover, and incentivizing development of condos in once-affordable neighborhoods would achieve the objectives the community prioritized.

Had more low income residents and communities of color believed that the proposed LDC re-write was truly beneficial for affordability and housing equity, GAVA, the NAACP, PODER, Communities of Color United, and others would have supported it. But dozens, hundreds of voices of directly impacted people voiced concern, if they were lucky enough to find out what was happening without proper notice.

**Our communities have been erased or mischaracterized** by the dominant narrative among city staff, pro-density councilmembers, and housing advocates not rooted in Austin's historic communities of color:

- It is a false assumption that homeowners are inherently more privileged than renters, or that all are affected in the same way. People of color, particularly African American households, have been acutely and disproportionately impacted by a loss of homeownership nationwide<sup>3</sup>, and are the first to become renters and housing-insecure after losing what for many of them is their only asset. Market-rate and even some income-restricted rental units being built in Austin cost far more than the mortgages and taxes that some homeowners are paying.
- The most directly impacted, low-income renters have not been represented in market-rate initiatives. Many renters in our communities also supported the plaintiffs in the lawsuit, as well. Many of the homeowners represented as plaintiffs in this lawsuit or who otherwise supported it, are also in relationship with the renters in their communities. The shared interest was in fair and inclusive notification and opportunities for responsible community planning, and looking out for collective interests specific to each neighborhood or area, rather than the rights of one group over another.

We saw that the LDC revision wouldn't address the needs to protect existing affordable homes, nor create new ones accessible to the people who need low-cost rental housing

<sup>&</sup>lt;sup>3</sup> <u>The Heartbreaking Decrease in Black Homeownership</u> Austin-American Statesman, March 2019



**the most.** The proposed LDC provided no deep affordability. It had no on-site affordability requirement for any of the new density in "high opportunity areas," and the upzoning was concentrated on the margins, where a lot of the existing affordable housing lies, much of it inhabited by renters. Those were the areas in the crosshairs for redevelopment.

Our City's resources and energy remained committed to re-writing our zoning regulations to allow for denser developments, with no commitment that these new developments would ease displacement or create true affordability.

Therefore, the lawsuit was necessary, and we see the recent ruling as a victory for the public process, in that it requires the City to at least comply with state law before rewriting our zoning regulations, which would impact essentially every property in the City. And by forcing compliance with state law, the ruling creates a window of opportunity for the City to engage and listen to the community before moving forward.

Judge Soifer upheld the right of residents (including renters) to be provided public notice of, and the right to participate in, zoning change decisions. With the court's ruling, if the City desires to continue committing resources to rewriting our zoning regulations, then, it must provide notice to all those affected, and it must comply with state law, which allows property owners to protest zoning changes to their property.

We acknowledge that this ruling, alone, will not, and cannot, achieve our objectives. It does not create affordable housing or prevent displacement. The court's ruling just gives us space and a little bit of time to work on these priorities, collectively, instead of spending all of our energy trying to stop an LDC rewrite that we never asked for and that was never meant for us.

What we have advocated AND proposed solutions for are neighborhood stabilization strategies, taking care of families, improving the drainage criteria manuals and improved land and water management (which doesn't require a comprehensive land code rewrite). Some in our community did preliminary work for the City--by preparing the People's Plan for Anti-displacement<sup>4</sup>, or by bringing their concerns to boards and commissions like the Environmental Commission and Zoning & Platting Commission, which submitted recommendations for improved water quality and drainage, anti-displacement<sup>5</sup>, and more.

This ruling allows us to return to those opportunities, as well as to take action on the various policies and code changes that will promote public safety and more affordable housing.

<sup>&</sup>lt;sup>4</sup> Six grassroots proposed resolutions to: <u>Adopt Right to Stay & Right to Return Programs</u>; <u>Establish a</u> <u>Low-income Housing Trust Fund</u>; <u>Create Interim Development Regulations for Areas with Inadequate</u> <u>Drainage</u>; <u>Expand the use of NCCDs & Historic Districts</u>; <u>Implement Austin's environmental quality</u> <u>review</u>; <u>Build Low-Income housing on city-owned land</u>.

<sup>&</sup>lt;sup>5</sup>Including Environmental Commission Recommendations for Draft 3 of CodeNEXT; ZAP Displacement Mitigation Recommendations



- Small area planning or neighborhood planning can help us make the changes we need, while centering the people most impacted and create an opportunity to add more affordable housing responsibly, protect low-income renters and owners, improve drainage, protect trees, and build healthier and more climate resilient neighborhoods by listening to the people who know their communities best.
- We require the city's action outside of the LDC, and we continue to keep a position that these policies and efforts should be put in place *before upzoning is used in blanket ways.* 
  - The City already has the authority to facilitate development of low-income housing on public land under the current code. The City also has the ability to employ preservation efforts that take affordable apartments off the market and keep them affordable in perpetuity; more creative building and financing of accessory dwelling units for low-income households; more equitable allocation of rental assistance, home repair, weatherization and down payment assistance programs, drainage requirements, lot-to-lot flooding protections, etc.
  - This crisis is an opportunity to elevate the changes we need most and can do without hesitation and without a comprehensive rewrite of the LDC

**Moving forward**: Let's use this opportunity to keep strengthening our communities and supporting each other. Let's listen and engage our communities. And let's focus on tackling the various challenges we face—growing economic inequality, displacement, flooding, and systemic inequities—together. These challenges won't be fixed by adopting a new form-based zoning code, easing environmental protections, or incentivizing density all over the city. But we've got other tools: community knowledge, policies, and new practices, including direct support for the communities most impacted by this crisis and the systemic inequities that it magnifies. It's time we take those tools out and start using them.