

**ECONOMIC IMPACT OF THE 2013 AND 2018
GENERAL OBLIGATION BONDS FOR
AFFORDABLE HOUSING IN AUSTIN
THROUGH 2021**

JUNE 2022



HousingWorks

AUSTIN

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INTRODUCTION

Civic Economics and HousingWorks are pleased to present this analysis of the economic impact of General Obligation Bonds issued since 2013 to support affordable housing. This is the third report we have produced tracking the impact of affordable housing bonds in Austin.

2006 General Obligation Bonds

Civic Economics and HousingWorks cooperated in 2012 to study the impact of bonds approved by voters in 2006. At the time of that study in 2012, we found that \$55 million in bond money and the additional funding it leveraged would produce economic impacts approaching \$400 million in the City of Austin. This study does not include any impact from those bonds.

2013 General Obligation Bonds

In 2016, Civic Economics and HousingWorks studied the impact of bond funds authorized in 2013. Of the \$65 million in bond funds approved, approximately \$27 million had been expended by the time of that study. From that funding, Austin developers leveraged an additional \$190 million in additional funding, and produced total economic impacts of more than \$375 million from construction and ongoing operating impacts of \$18 million per year.

2018 General Obligation Bonds

In 2018, Austin voters approved Proposition A, which provided for a total of \$250 million in general obligation bond funds to be made available in support of affordable housing, including:

- \$100 million for land acquisition
- \$94 million for rental housing development
- \$28 million for affordable owned housing development
- \$28 million for a home repair program

Through 2021, approximately \$62.6 million of this funding has been expended on the development of affordable housing, with an additional \$16.5 million spent on home repairs. .

Study Scope

This study is designed to build upon that previous work to provide an understanding of the total economic impact of bond funds authorized in 2013 and 2018 and expended through 2021.

It evaluates the impact of construction and rehabilitation spending made possible by these funds since our last study in 2016. However, in analyzing the recurring annual impacts of projects made possible by bond funding, we consider all projects funded by either 2013 or 2018 funds, including five projects that received funding from both authorizations.

Summary of Findings

Since 2013, the City of Austin has provided general obligation bond funds totaling \$122 million to support the development of affordable housing in Austin (see table on the following page). From that seed, developers leveraged \$788 million in additional financing to develop 43 projects in the city of Austin. Those developments contain 4,372 units, of which 3,707 are designated as affordable. Of those units, 833 provide Permanent Supportive Housing services.

Through 2021, an additional \$16.5 million in 2018 bond funds have been provided to support home repairs for qualifying property owners. That brings the total bond expenditure since 2013 to \$138.6 million.

Property development, of course, creates one-time impacts as construction or rehabilitation proceed. Because Civic Economics previously quantified the impact of buildings associated with the first \$27 million in 2013 bonds, those projects are not included in this analysis. Simply developing and rehabilitating the remaining 2013 and 2018 bond-funded projects supported 7,466 jobs with \$609 million in labor income and yielded a total economic impact of \$1.08 billion.

The operation of these developments made possible by bond funding provides a recurring annual impact, long after the development is in place. Household savings averaging \$5,000 per affordable unit produce total economic impacts of \$18.5 million per year. Ongoing operation and maintenance of the developments produce a further \$58 million per year in total impact. Finally, the labor-intensive provision of permanent supportive housing services generates nearly \$25 million in annual impact.

All told, these developments produce ongoing annual economic impacts of \$101.3 million, including more than 700 jobs with labor income of \$42.1 million.

THE SCOPE OF DEVELOPMENT: BOND-FUNDED PROJECTS

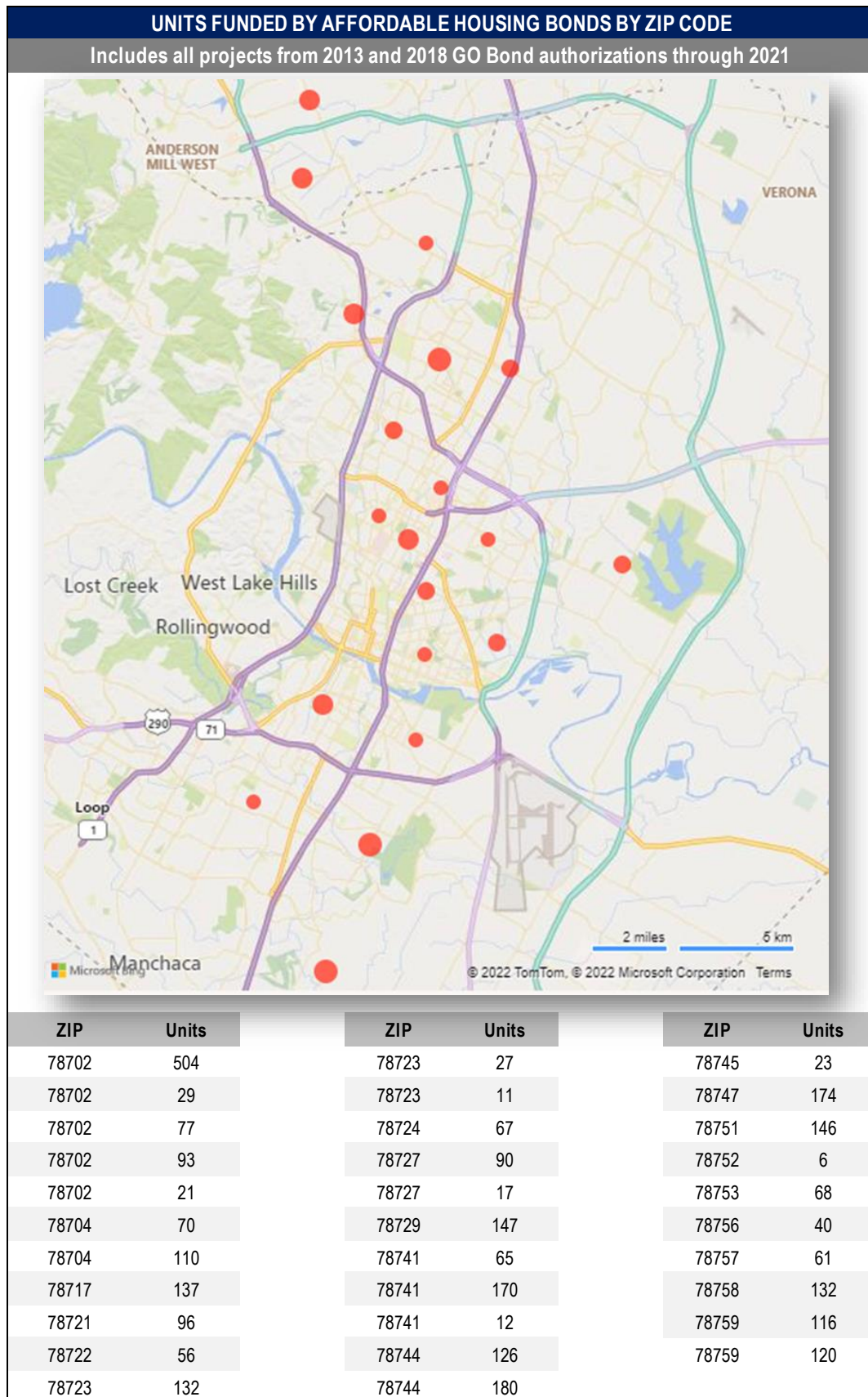
According to data compiled by HousingWorks with the City of Austin, the 2013 and 2018 bonds have provided \$138.6 million in funding to 43 projects in the city of Austin. Those developments contain 4,372 units, of which 3,707 are designated as affordable. That total includes \$16.5 million in home repair assistance.

Table 1

AUSTIN BOND FUNDED AFFORDABLE HOUSING DEVELOPMENTS	
Projects funded with GO Bonds since 2013	
Projects receiving only 2013 bond funds	
# of Projects: 17	GO Bond \$: \$ 44,036,045
# of Units: 2142	Leveraged \$: \$ 358,208,067
Affordable Units: 1583	
Projects receiving 2013 and 2018 bond funds	
# of Projects: 5	GO Bond \$: \$ 15,453,553
# of Units: 518	Leveraged \$: \$ 93,667,537
Affordable Units: 475	
Projects receiving only 2018 bond funds	
# of Projects: 21	GO Bond \$: \$ 79,142,881
# of Units: 1712	Leveraged \$: \$ 336,167,754
Affordable Units: 1649	
All Projects	
# of Projects: 43	GO Bond \$: \$ 138,632,479
# of Units: 4372	Leveraged \$: \$ 788,043,358
Affordable Units: 3707	

SOURCES: HousingWorks, City of Austin

Map 1



SOURCES: HousingWorks, City of Austin

Table 2

2013 AND 2018 GENERAL OBLIGATION BONDS FOR AFFORDABLE HOUSING, DEVELOPMENTS FROM 2016-2021						
<i>These are the projects that received funding from only the 2013 bond approval:</i>						
Project Name	Zip Code	Bond Funding	Leveraged Amount	Total Project Cost	Affordable Units	Total Units
Live Oak Trails	78735	\$ 1,750,000	\$ 13,216,834	\$ 14,966,834	58	58
Bluebonnet Studios	78704	\$ 3,700,000	\$ 16,582,632	\$ 20,282,632	107	107
Lakeline Station	78717	\$ 2,975,000	\$ 23,476,108	\$ 26,451,108	77	128
Cardinal Point Apartments	78726	\$ 2,575,000	\$ 17,401,008	\$ 19,976,008	72	120
Garden Terrace Phase 3	78745	\$ 1,200,000	\$ 1,469,162	\$ 2,669,162	20	20
Jeremiah Housing	78702	\$ 2,000,000	\$ 7,267,546	\$ 9,267,546	35	35
Aldrich 51 Apartments	78723	\$ 2,000,000	\$ 33,675,975	\$ 35,675,975	63	240
LaMadrid Apartments	78748	\$ 3,300,000	\$ 17,137,344	\$ 20,437,344	43	95
The Rail at MLK Jr Station	78702	\$ 2,500,000	\$ 30,000,000	\$ 32,500,000	58	225
Housing First Oak Springs	78702	\$ 3,000,000	\$ 9,584,000	\$ 12,584,000	50	50
Elysium Grand	78727	\$ 3,320,000	\$ 13,728,255	\$ 17,048,255	90	90
Rebekah Baines Johnson Ce	78702	\$ 5,799,445	\$ 93,243,175	\$ 99,042,620	493	504
Works at Pleasant Valley II	78702	\$ 416,600	\$ 3,386,376	\$ 3,802,976	29	29
Aria Grand Apartments	78704	\$ 1,500,000	\$ 15,730,192	\$ 17,230,192	60	70
The Jordan	78723	\$ 4,000,000	\$ 22,675,079	\$ 26,675,079	132	132
Nightingale	78747	\$ 2,000,000	\$ 24,198,271	\$ 26,198,271	141	174
Cambrian East Riverside	78741	\$ 2,000,000	\$ 15,436,110	\$ 17,436,110	55	65
		\$ 44,036,045	\$ 358,208,067	\$ 402,244,112	1583	2142
<i>These are the projects that received funding from both 2013 and 2018 bond approvals:</i>						
Project Name	Zip Code	Bond Funding	Leveraged Amount	Total Project Cost	Affordable Units	Total Units
The Chicon	78702	\$ 2,614,449	\$ 17,315,551	\$ 19,930,000	58	77
Govalle Terrace	78721	\$ 5,158,000	\$ 16,412,582	\$ 21,570,582	96	96
Scenic Point	78724	\$ 1,480,000	\$ 7,543,537	\$ 9,023,537	67	67
Waterloo Terrace	78758	\$ 5,572,692	\$ 21,707,417	\$ 27,280,109	132	132
Travis Flats	78751	\$ 628,412	\$ 30,688,450	\$ 31,316,862	122	146
		\$ 15,453,553	\$ 93,667,537	\$ 109,121,090	475	518
<i>These are the projects that have received money from the 2018 bond approval through 2021:</i>						
Project Name	Zip Code	Bond Funding	Leveraged Amount	Total Project Cost	Affordable Units	Total Units
Persimmon at Meadow Lake	78744	\$ 1,053,931	\$ 33,374,315	\$ 34,428,246	126	126
AHA! @ Briarcliff	78723	\$ 1,344,524	\$ 4,196,473	\$ 5,540,997	27	27
Mueller Townhomes	78723	\$ 555,476	\$ 1,660,689	\$ 2,216,165	11	11
Roosevelt Gardens	78756	\$ 5,209,925	\$ 2,496,044	\$ 7,705,969	40	40
Burnet Place	78757	\$ 3,642,917	\$ 7,995,966	\$ 11,638,883	61	61
The Abali	78722	\$ 1,737,395	\$ 12,866,259	\$ 14,603,654	51	56
Talavera Lofts	78702	\$ 797,921	\$ 18,061,183	\$ 18,859,104	91	93
Springdale Crossing	78702	\$ 240,000	\$ 51,240,750	\$ 51,480,750	2	21
Vi Collina	78741	\$ 3,253,525	\$ 33,721,471	\$ 36,974,996	170	170
City Heights	78744	\$ 2,666,667	\$ 18,493,827	\$ 21,160,494	180	180
North Lamar Mobile Home Pr	78753	\$ 2,500,000	\$ 4,718,777	\$ 7,218,777	68	68
The Loretta	78717	\$ 3,984,000	\$ 27,170,621	\$ 31,154,621	137	137
Arbor Park	78729	\$ 2,000,000	\$ 26,420,938	\$ 28,420,938	147	147
Capital A Condos	78727	\$ 1,391,927	\$ 3,560,259	\$ 4,952,186	17	17
Espero @ Rutland	78758	\$ 5,992,786	\$ 27,568,013	\$ 33,560,799	171	171
Zilker Studios	78704	\$ 4,608,387	\$ 20,018,893	\$ 24,627,280	110	110
Montopolis Townhomes	78741	\$ 294,000	\$ 2,355,895	\$ 2,649,895	12	12
A at St Johns	78752	\$ 198,000	\$ 2,021,847	\$ 2,219,847	3	6
Saison North	78759	\$ 3,200,000	\$ 27,739,263	\$ 30,939,263	82	116
Balcones Terrace	78759	\$ 16,131,500	\$ 5,757,591	\$ 21,889,091	120	120
Keilbar Lane	78745	\$ 1,840,000	\$ 4,728,680	\$ 6,568,680	23	23
Home Repair Program		\$ 16,500,000		\$ 16,500,000		
		\$ 79,142,881	\$ 336,167,754	\$ 415,310,635	1649	1712
All Bond Funded Projects, 2013 & 2018		\$ 138,632,479	\$ 788,043,358	\$ 926,675,837	3707	4372

SOURCES: HousingWorks, City of Austin

THE ECONOMIC IMPACT OF AFFORDABLE HOUSING BONDS

General obligation bonds for affordable housing have provided essential funding for the development of a wide variety of housing units in Austin and allowed developers to offer affordable and supportive housing environments across the city.

Affordable housing is a diverse and complex realm and presents unique difficulties in calculating economic impacts. Civic Economics sought to include only real, quantifiable economic activity triggered by the issuance of bonds for affordable housing. As a result, we would characterize our findings as conservative. For example, while central locations well served by transit undoubtedly produce savings for residents in the form of reduced transportation expenditures, this analysis does not assign value to that savings. Land acquisition costs are not included in our impact analysis as the transfer of land, in and of itself, drives no economic impact.

This study quantifies economic impacts for two distinct activities:

- Construction and renovation, a one-time expenditure and impact when units are created;
- Ongoing annual impacts, including household savings, building operations, and permanent supportive housing services.

Construction Impacts

Construction impacts are based on the actual expenditure of funds to develop and/or rehabilitate housing units that would not have occurred without the bond funding and represent a one-time expenditure and impact. Since 2013, Austin developers have expended \$123 million of bond money and leveraged an additional \$788 million, for a total of \$926.7 million in housing investment, plus a further \$16.5 million expended on a home repair program. Civic Economics distinguishes between rehabilitation and new construction because they yield slightly different impacts. Rehabilitation budgets are heavier on labor costs and thus on employment, while new construction requires a higher proportion of the budget for materials. For new construction projects, Civic Economics also sets aside 10% of the total investment to account for land purchases, which do not, on their own, produce further economic impact.

Ongoing Annual Impacts

Affordable housing is, as previously noted, a diverse and complex realm. The mix of projects here includes conventional garden apartments, single room occupancy units, and a number of

supportive housing units with additional staff and facilities. To quantify these activities, Civic Economics identified three distinct drivers of measurable economic impact:

1. Household Savings: Affordable housing is designed to allow families to afford safe, decent housing and generally provides those households with a savings relative to market rate housing.
 - a. The approach to calculating subsidies and tenant costs is highly individualized, involving a range of factors including the local housing market, the family composition and income of prospective tenants, and the mix of affordable housing programs to be tapped. Thus, Civic Economics formulated an approach to estimating average household savings based on income relative to the median with the goal of consistency among our formula outcomes and the real-world costs identifiable in a sample of rent rolls of Austin affordable housing developments.
 - i. Travis County’s median household income for all household sizes in 2020 was \$82,605, the most recent data available. At that level, the typical American household spent 24.5% of income on housing. Housing cost as a share of income increases as household income decreases, rising to 58.3% for families earning just 30% of the median.
 - ii. If those values represent market rate options, then subsidized housing options bring housing costs down in proportion to household income. A straight-line estimate of savings (i.e. families at 30% of the median pay just 30% of market rate)

Table 3

ESTIMATING ANNUAL HOUSEHOLD SAVINGS	
Median HH Income for Travis County, 2020	\$ 82,605
50% of Median	\$ 41,303
Average Amount Spent on Market Rate Housing	
At 100% of Median Income	\$ 20,966
At 50% of Median Income	\$ 17,061
Estimated Average Amount Spent on Affordable Housing	
At 50% of Median Income	\$ 12,152
Estimated Average Savings from Affordable Housing	\$ 4,909

SOURCES: Bureau of Labor Statistics; Federal Reserve

yielded household savings more generous than real world outcomes. Thus, we added back in a factor based on the proportion of income dedicated to housing for a typical family.

ii. Table 3 at left shows the household savings estimates produced by Civic Economics and applied across the range of rental projects in this study. It should be noted that we calculated these savings for families at or below 50% of the

median, which is the threshold for eligibility in the developments considered. To the extent that many households will have lower incomes, these estimates are conservative.

- b. We have treated household savings as a positive local economic impact because that money is treated by low-income households as if it were additional income, allowing an increase in spending on other goods and services.

Table 4

ANNUAL OPERATING EXPENSES, PER UNIT		
Category	Costs	
Capital Expenditures	\$	1,243
Salaries and Personnel	\$	1,539
Insurance	\$	509
Taxes	\$	598
Utilities	\$	980
Management Fees	\$	590
Administrative	\$	677
Marketing	\$	163
Contract Services	\$	672
Repair and Maintenance	\$	798
	\$	7,769
PSH Additional Costs	\$	14,000

SOURCES: National Apartment Association Annual Survey, HousingWorks

2. Operating Costs: All of the developments described above involve ongoing operating costs.

a. For multifamily properties, Civic Economics relied upon the National Apartment Association’s 2021 Survey of Operating Income and Expenses in Rental Apartment Communities to estimate annual costs for facilities support services, marketing, utilities, insurance, and capital improvements at \$7,769.

3. Supportive Housing Expenses: In addition, 833 of the units in this study provide an array of supportive services not available in typical housing situations. For the purposes of this study, those costs have been estimated at \$14,000 per year per unit, which is based upon HousingWorks feedback from contacts in the market.

a. For the purposes of this study, Civic Economics analyzed supportive services

expenditures as if the entire amount fell into the category of Home Health Services, which produces a relatively low multiplier. In reality, much of this spending will fall into higher impact categories for medical and rehabilitative services. However, lacking a solid breakdown of these costs, we elected to take a conservative approach.

- b. The costs of these supportive services are here treated as positive in terms of local economic impact. There exists a strong body of literature supporting the idea that supportive permanent housing investment results in measurable cost savings for local governments. Moreover, most of the funding for these programs is sourced beyond the City of Austin.

ECONOMIC IMPACT ANALYSIS

Introduction to Economic Impact

Civic Economics utilizes the IMPLAN model, a product of the Minnesota Implan Group and an industry-standard tool for evaluating the impact of any economic activity.

For this study, Civic Economics procured IMPLAN multipliers for Travis County, which encompasses virtually all of the City of Austin. Values are presented in 2021 dollars. However, the most recent multipliers available cover calendar year 2020, which is a highly atypical year. Therefore, we modeled the impacts in this study using 2019 multipliers in order build the study from more typical economic circumstances.

From IMPLAN:¹

The Essence of IMPLAN: How money moves in the local economy

Input-output accounting (using the IMPLAN model as an example) describes commodity flows from producers to intermediate and final consumers. The total industry purchases of commodities, services, employment compensation, value added, and imports are equal to the value of the commodities produced. Industries producing goods and services for final use and purchases for final use (final demand) drive the model. Industries producing goods and services for final demand purchase goods and services from other producers. These other producers, in turn, purchase goods and services. This buying of goods and services continues until leakages from the region stop the cycle. The resulting

“Using the annual 2019 IMPLAN dataset might still be the best option if you are trying to model anything before the pandemic or any events occurring in 2021 or later.”

Economic impacts are comprised of three separate categories. Each category is analyzed separately from one another in IMPLAN.

- **Economic Output** is the total production or sales derived from the project.
- **Employment** is the total number of study-area residents employed both on a full and part time basis overall and in a given industry.
- **Labor Income** is the amount of salaries and benefits paid to study-area employees.

For each of the categories listed above a direct effect, indirect effect, and induced effect has been calculated.

- **Direct** effects capture the initial impact created by the initial outlay of funds.

¹ <https://support.implan.com/hc/en-us/articles/4412244641179-2020-Data-Release-Notes>

- Example: This captures spending on the project during either construction or operating phases.
- **Indirect** effects are additional impacts derived from businesses providing products or services to the project.
 - Examples: Construction involves the purchase of building materials from suppliers. Ongoing operations involve the purchase of a variety of goods and services from a number of suppliers.
- **Induced** effects are the result of increased household spending due to the direct and indirect effects.
 - Example: Employees of firms directly or indirectly affected by the project buy new cars, homes, and groceries locally.

ECONOMIC IMPACT FINDINGS: CONSTRUCTION

Through 2021, Austin provided nearly \$123 million in 2013 and 2018 bond funding to support the development of affordable housing in the city. Developers leveraged a further \$788 million in financing, for a total of \$926.7 million in development. In addition, the city has expended a further \$16.5 million in 2018 bond funds to assist qualified homeowners with home repairs.

Because Civic Economics previously analyzed the economic impact of construction associated with the first \$27 million in 2013 bond funds, we do not here recalculate those impacts. Subsequent 2013 bond funds of \$46 million produced total development costs of \$425 million. 2018 bond funds of \$79 million have produced total development costs of nearly \$400 million. Five additional projects received \$15.5 million in funding from both bond authorizations and produced total development costs of \$109 million.

In total, since our 2016 study, developments enabled by general obligation bonds for affordable housing in Austin have supported 5,110 direct jobs and a total of 7,466 jobs, with labor income exceeding \$600 million. The total one-time economic impact of constructing and rehabilitating these developments exceeds \$1 billion since 2016.

Table 5

CONSTRUCTION IMPACTS, 2021 DOLLARS				
Projects funded with GO Bonds since 2016 impact study				
Projects receiving only 2013 bond funds				
	# of Projects: 7		GO Bond \$:	\$ 19,036,045
	# of Units: 1064		Leveraged \$:	\$ 188,397,458
	Employment	Labor Income	Value Added	Output
Direct	1280	\$ 115,786,832	\$ 132,441,865	\$ 196,594,415
Indirect	234	\$ 15,318,122	\$ 24,887,253	\$ 42,219,753
Induced	451	\$ 26,544,715	\$ 45,809,037	\$ 76,642,237
Total	1965	\$ 157,649,669	\$ 203,138,155	\$ 315,456,404
Projects receiving 2013 and 2018 bond funds				
	# of Projects: 5		GO Bond \$:	\$ 15,453,553
	# of Units: 518		Leveraged \$:	\$ 93,667,537
	Employment	Labor Income	Value Added	Output
Direct	840	\$ 76,981,457	\$ 82,129,721	\$ 98,208,981
Indirect	63	\$ 4,113,745	\$ 6,530,161	\$ 11,123,717
Induced	281	\$ 16,527,632	\$ 28,516,200	\$ 47,712,724
Total	1183	\$ 97,622,834	\$ 117,176,082	\$ 157,045,421
Projects receiving only 2018 bond funds				
	# of Projects: 21		GO Bond \$:	\$ 79,142,881
	# of Units: 1712		Leveraged \$:	\$ 398,810,635
	<i>Includes homeowner rehabilitation funds</i>			
	Employment	Labor Income	Value Added	Output
Direct	2990	\$ 273,250,161	\$ 295,481,906	\$ 378,340,358
Indirect	314	\$ 20,606,327	\$ 33,050,475	\$ 56,178,288
Induced	1015	\$ 59,782,074	\$ 103,151,949	\$ 172,588,931
Total	4319	\$ 353,638,562	\$ 431,684,331	\$ 607,107,577
All Projects Since 2016 Impact Study				
	# of Projects: 33		GO Bond \$:	\$ 113,632,479
	# of Units: 3294		Leveraged \$:	\$ 680,875,630
	<i>Includes homeowner rehabilitation funds</i>			
	Employment	Labor Income	Value Added	Output
Direct	5110	\$ 466,018,449	\$ 510,053,493	\$ 673,143,754
Indirect	610	\$ 40,038,195	\$ 64,467,890	\$ 109,521,757
Induced	1746	\$ 102,854,421	\$ 177,477,185	\$ 296,943,891
Total	7466	\$ 608,911,065	\$ 751,998,567	\$ 1,079,609,402

SOURCES: HousingWorks, Implan, Civic Economics

ECONOMIC IMPACT FINDINGS: ONGOING ANNUAL IMPACTS

The tables on the following pages correspond to the categories of economic activity described below.

Household Savings

The impact of savings to residents of affordable housing units is treated as household income. Therefore, it appears only as induced impacts for study purposes. The average resident household of a unit affordable at 50% of the median income saves nearly \$5000 per year on housing expenses.

These household savings, which are treated as household income for this analysis, produce a total annual impact of \$18.5 million in Austin.

Operating and Homeowner Expenses

Based on the 2021 annual survey of National Apartment Association membership, we estimate that operators spend an average of \$7,769 per unit on the operation and maintenance of rental developments in Austin.

The cost of operating and maintaining both rental and owner-occupied housing units made possible by 2013 and 2018 bond funds produces total annual impacts of \$58 million per year.

Supportive Services Expenditures

Bond funding has enabled the development of 833 Permanent Supportive Housing units since 2013.

Supportive services to residents of these units produce a conservative estimate of 300 jobs, with total economic impact of nearly \$25 million each year.

Total Annual Economic Impacts

All told, these identifiable, quantifiable activities produce a substantial economic impact on the Austin economy of \$101 million each year, including more than 700 jobs with \$42 million per year in labor income.

Table 6

ANNUAL HOUSEHOLD SAVINGS IMPACTS, 2021 DOLLARS					
Projects funded with 2013 and/or 2018 GO Bonds					
<i>Projects receiving only 2013 bond funds</i>					
	Employment	Labor Income	Value Added	Output	
Direct	0 \$	-	\$ -	\$ -	-
Indirect	0 \$	-	\$ -	\$ -	-
Induced	48 \$	2,868,497	\$ 5,021,689	\$ 8,369,429	
Total	48 \$	2,868,497	\$ 5,021,689	\$ 8,369,429	
<i>Projects receiving 2013 and 2018 bond funds</i>					
	Employment	Labor Income	Value Added	Output	
Direct	0 \$	-	\$ -	\$ -	-
Indirect	0 \$	-	\$ -	\$ -	-
Induced	13 \$	758,509	\$ 1,327,873	\$ 2,213,107	
Total	13 \$	758,509	\$ 1,327,873	\$ 2,213,107	
<i>Projects receiving only 2018 bond funds</i>					
	Employment	Labor Income	Value Added	Output	
Direct	0 \$	-	\$ -	\$ -	-
Indirect	0 \$	-	\$ -	\$ -	-
Induced	45 \$	2,713,880	\$ 4,751,012	\$ 7,918,304	
Total	45 \$	2,713,880	\$ 4,751,012	\$ 7,918,304	
<i>All Projects</i>					
	Employment	Labor Income	Value Added	Output	
Direct	0 \$	-	\$ -	\$ -	-
Indirect	0 \$	-	\$ -	\$ -	-
Induced	106 \$	6,340,886	\$ 11,100,574	\$ 18,500,840	
Total	106 \$	6,340,886	\$ 11,100,574	\$ 18,500,840	

SOURCES: HousingWorks, Implan, Civic Economics

Table 7

ANNUAL OPERATION IMPACTS, 2021 DOLLARS				
Projects funded with 2013 and/or 2018 GO Bonds				
<i>Operating Expenditures of \$7769 per unit; does not include PSH expenses</i>				
Projects receiving only 2013 bond funds				
	Employment	Labor Income	Value Added	Output
Direct	85	\$ 5,847,422	\$ 8,767,600	\$ 16,438,419
Indirect	36	\$ 2,566,646	\$ 4,036,905	\$ 7,220,232
Induced	27	\$ 1,606,283	\$ 2,777,481	\$ 4,644,413
Total	148	\$ 10,020,352	\$ 15,581,986	\$ 28,303,064
Projects receiving 2013 and 2018 bond funds				
	Employment	Labor Income	Value Added	Output
Direct	21	\$ 1,414,185	\$ 2,120,417	\$ 3,975,546
Indirect	9	\$ 620,727	\$ 976,305	\$ 1,746,181
Induced	7	\$ 388,474	\$ 671,724	\$ 1,123,234
Total	36	\$ 2,423,386	\$ 3,768,446	\$ 6,844,961
Projects receiving only 2018 bond funds				
	Employment	Labor Income	Value Added	Output
Direct	70	\$ 4,769,328	\$ 7,139,827	\$ 13,354,968
Indirect	29	\$ 2,078,699	\$ 3,267,100	\$ 5,844,013
Induced	22	\$ 1,307,057	\$ 2,260,093	\$ 3,779,246
Total	121	\$ 8,155,084	\$ 12,667,020	\$ 22,978,227
All Projects				
	Employment	Labor Income	Value Added	Output
Direct	175	\$ 12,030,936	\$ 18,027,844	\$ 33,768,933
Indirect	74	\$ 5,266,073	\$ 8,280,309	\$ 14,810,426
Induced	56	\$ 3,301,814	\$ 5,709,298	\$ 9,546,894
Total	305	\$ 20,598,823	\$ 32,017,451	\$ 58,126,253

SOURCES: HousingWorks, Implan, Civic Economics

Table 8

ANNUAL SUPPORTIVE HOUSING IMPACTS, 2021 DOLLARS					
Permanent Supportive Housing funded with 2013 and/or 2018 GO Bonds					
<i>Annual Permanent Supportive Housing Expenditures of \$14,000 per PSH unit</i>					
Projects receiving only 2013 bond funds					
	Employment	Labor Income	Value Added	Output	
Direct	109	\$ 5,183,426	\$ 4,902,884	\$ 6,342,000	
Indirect	9	\$ 547,092	\$ 836,276	\$ 1,528,556	
Induced	18	\$ 1,088,478	\$ 1,882,810	\$ 3,148,056	
Total	136	\$ 6,818,996	\$ 7,621,970	\$ 11,018,612	
Projects receiving 2013 and 2018 bond funds					
	Employment	Labor Income	Value Added	Output	
Direct	33	\$ 1,556,172	\$ 1,471,947	\$ 1,904,000	
Indirect	3	\$ 164,248	\$ 251,067	\$ 458,904	
Induced	6	\$ 326,784	\$ 565,259	\$ 945,112	
Total	41	\$ 2,047,204	\$ 2,288,274	\$ 3,308,016	
Projects receiving only 2018 bond funds					
	Employment	Labor Income	Value Added	Output	
Direct	102	\$ 4,851,596	\$ 4,589,013	\$ 5,936,000	
Indirect	8	\$ 512,069	\$ 782,740	\$ 1,430,702	
Induced	17	\$ 1,018,796	\$ 1,762,277	\$ 2,946,525	
Total	127	\$ 6,382,460	\$ 7,134,029	\$ 10,313,226	
All Projects					
	Employment	Labor Income	Value Added	Output	
Direct	243	\$ 11,591,194	\$ 10,963,844	\$ 14,182,000	
Indirect	20	\$ 1,223,409	\$ 1,870,083	\$ 3,418,162	
Induced	41	\$ 2,434,057	\$ 4,210,346	\$ 7,039,693	
Total	304	\$ 15,248,660	\$ 17,044,273	\$ 24,639,855	

SOURCES: HousingWorks, Implan, Civic Economics

Table 9

TOTAL ANNUAL IMPACTS, 2021 DOLLARS					
All Projects funded with 2013 and/or 2018 GO Bonds					
<i>Includes impacts from household savings, property operations, and permanent supportive housing services</i>					
Projects receiving only 2013 bond funds					
	Employment	Labor Income	Value Added	Output	
Direct	193	\$ 11,030,849	\$ 13,670,484	\$ 22,780,419	
Indirect	45	\$ 3,113,739	\$ 4,873,181	\$ 8,748,788	
Induced	94	\$ 5,563,257	\$ 9,681,981	\$ 16,161,898	
Total	332	\$ 19,707,845	\$ 28,225,645	\$ 47,691,106	
Projects receiving 2013 and 2018 bond funds					
	Employment	Labor Income	Value Added	Output	
Direct	53	\$ 2,970,358	\$ 3,592,364	\$ 5,879,546	
Indirect	11	\$ 784,976	\$ 1,227,372	\$ 2,205,085	
Induced	25	\$ 1,473,766	\$ 2,564,855	\$ 4,281,453	
Total	89	\$ 5,229,100	\$ 7,384,592	\$ 12,366,084	
Projects receiving only 2018 bond funds					
	Employment	Labor Income	Value Added	Output	
Direct	172	\$ 9,620,923	\$ 11,728,840	\$ 19,290,968	
Indirect	37	\$ 2,590,768	\$ 4,049,840	\$ 7,274,715	
Induced	85	\$ 5,039,733	\$ 8,773,382	\$ 14,644,075	
Total	294	\$ 17,251,424	\$ 24,552,061	\$ 41,209,757	
All Projects					
	Employment	Labor Income	Value Added	Output	
Direct	418	\$ 23,622,130	\$ 28,991,688	\$ 47,950,933	
Indirect	94	\$ 6,489,482	\$ 10,150,393	\$ 18,228,587	
Induced	203	\$ 12,076,756	\$ 21,020,218	\$ 35,087,426	
Total	715	\$ 42,188,369	\$ 60,162,298	\$ 101,266,947	

Table 10

TOP SECTORS FOR ANNUAL EMPLOYMENT IMPACT OF BOND-FUNDED AFFORDABLE HOUSING				
<i>Projects funded with 2013 and/or 2018 GO Bonds</i>				
Industry	Jobs			Total
	Direct	Indirect	Induced	
Home health care services	242.9	0.0	2.8	245.6
Facilities support services	69.8	0.2	0.0	70.0
Maintenance and repair construction of residential structures	38.9	0.0	0.9	39.8
Services to buildings	32.1	2.2	1.4	35.7
Employment services	0.1	15.9	3.6	19.6
Other real estate	0.5	9.2	7.4	17.1
Insurance agencies, brokerages, and related activities	7.5	7.7	2.5	17.7
Full-service restaurants	0.0	2.6	11.8	14.5
Limited-service restaurants	0.1	0.6	12.0	12.7
Hospitals	0.0	0.0	10.0	10.0
Employment and payroll of local govt, other services	9.2	0.0	0.0	9.2
Local government electric utilities	6.1	1.7	0.6	8.5
Offices of physicians	0.0	0.0	8.0	8.0
Retail - Building material and garden equipment and supplies stores	0.0	5.9	1.0	6.9
All other food and drinking places	0.1	1.6	5.0	6.7

SOURCES: HousingWorks, Implan, Civic Economics

CONCLUSION

Since 2013, the people of Austin have voted to support the issuance of general obligation bonds for affordable housing twice. In 2013, voters authorized a total of \$65 million. In 2018, a further \$250 million was authorized, including \$94 million for the development of rental housing and \$28 million for home repairs.

Through 2021, general obligation bond funds totaling \$138.6 million have enabled developers to leverage a further \$900 million in investment funds to develop 43 projects with a total of 4,372 units, of which 3,707 are affordable to tenants earning 50% or less of median income and owners earning 80% or less.

While one plainly beneficial impact of these developments is in helping Austin residents to survive in a housing market characterized by an increasing affordability crisis, our task is to focus on quantifiable dollars-and-cents impacts of these funds. As in our previous studies for HousingWorks, we are struck by the generosity of Austin voters who approved these expenditures and by the ability of Austin developers to leverage outside extensive private investment to multiply the impact of the bond funds.

Civic Economics previously studied the impact of affordable housing bonds approved in 2006 and 2013 for HousingWorks. For those studies, Civic Economics designed a methodology to place a purely economic value on the projects made possible by this bond funding. We included only economic activities that could be identified and quantified with a high degree of confidence. For the current study, we retained that methodology and utilized updated data. As a result, our findings must be taken as conservative. For example, it is likely that many residents of these developments enjoy additional household savings for transportation and other services as a result of living in safe, clean, well-located housing. Because we could not confidently place dollar values to those savings, they are not included here. In addition, these units likely contribute to the strength of the local labor force by making it possible for residents to stay in the city and reach jobs throughout the region. Again, that value is not included in this study.

Despite the inclusion of only quantifiable impacts, the results are striking. Creating and renovating the units made possible by the 2013 and 2018 bonds has produced an economic impact of more than \$1 billion in the City of Austin, with far more to come. On an ongoing basis, the operation and maintenance of these units produces a further \$101 million in annual economic impact, and that impact will only grow as remaining bond funds are expended and leveraged to create additional units.

ABOUT HOUSINGWORKS AUSTIN

HousingWorks' mission, as a 501c3 organization, is to preserve and increase the supply of affordable housing through, **research, education, and advocacy** in Austin, Texas and the surrounding Central Texas region, with a commitment to ensuring the most in need have access to safe and affordable housing.



HousingWorks
AUSTIN

A by-product of the unprecedented growth that Central Texas is experiencing is a sharp decline in affordability, in part due to rising home values, increasing rents and growing transportation expenses. By working with stakeholders throughout Central Texas, HousingWorks Austin encourages dialogue and raises awareness of the cooperative effort required to make housing affordable by advocating for ***All Kinds of Homes, In All Parts of Town, for All Kinds of People.***

To learn more, visit www.HousingWorksAustin.org.

ABOUT CIVIC ECONOMICS

Civic Economics is an economic analysis and strategic planning consultancy with offices in Chicago and Tulsa. Since its establishment in Austin in 2002, the firm has



earned a national reputation for creative approaches to the problems facing American communities. Civic Economics utilizes state of the art analytical tools, and has provided widely varied services from coast to coast and in Canada and Europe.

To learn more, visit www.CivicEconomics.com.