

Affordability - Goals And Reforms to Maintain Austin's Economic Diversity

Presentation to the Austin Neighborhoods Council By Bill Oakey

AustinAffordability.com – April 23, 2014

1. The City Budget – Although Austinites value high quality public services, we can no longer afford business as usual. Our City budget has increased 73% from 2004 to 2014. Hard work and innovation is needed to find solutions to reduce spending and increase revenues.
2. Truth In Taxation – The Austin City Council commonly refers to the “tax rate” when announcing the cost of each year’s new budget. Just “holding the line” on the tax rate will not help affordability, when skyrocketing tax appraisals drive up our property tax bills. (See [“A Little Bit of History On Truth In Taxation”](#) and [“The Whole Truth About Your City of Austin Tax Increase”](#) on AustinAffordability.com)
3. Fee Waivers – We can no longer afford fee waivers for large for-profit entities that sponsor City events. This year alone, SXSW was granted \$756,000 in fee waivers. In a summary of 4 town hall meetings on the budget in 2009, City staff reported that 83% of citizens supported ending those fee waivers. For a look at other types of fee waivers, see [“Why Does the City of Austin Give Away Millions of Dollars In Fee Waivers”](#) on my blog.
4. The City Budget Surplus – In 2013 the City Council spent a \$14 million budget surplus with no public hearings or formal citizen review. This year, another \$14 million surplus was on the table with plans for more spending. I have asked the City Council to consider transferring the surplus to the Water Utility, to hold down any potential rate increase. The Fitch Bond Rating Service highlighted affordability and “rate fatigue” in their 2013 assessment of the utility. See [“A Possible Breakthrough for the City’s \\$14 Million Budget Surplus”](#) on my blog.
5. Over-65 and Disabled Homestead Exemption – After a final round of Internet searches in the wee morning hours before the final vote, I helped convince the City Council to increase this exemption from \$51,000 to \$70,000. Kudos to Council Members Kathie Tovo and Laura Morrison for this long overdue victory! Plans are now in place to index the exemption annually.
6. Protecting Our Iconic Local Businesses – Some of our treasured homegrown businesses have been besieged by burdensome regulations for remodeling and expansion. While health, safety, and environmental rules are essential, there must be a more efficient and affordable way to trim the bureaucratic maze and keep some of these businesses alive.
7. New Housing For Moderate Income Residents – Some local organizations have pointed out that there are too many barriers preventing the building of small-scale multifamily housing units for moderate-income folks. We need a defined action plan to resolve this issue. [See my guest editorial in the Austin American-Statesman.](#)
8. The Human Face Of Austin Affordability – Please read about her on my blog. She is a real person, who might make you think beyond the numbers and the charts. [See blog posting.](#)

9. The AustinAffordability.com “Above And Beyond” Award – The first award goes, with great appreciation, to City Council Member Kathie Tovo. Many thanks to her and her excellent Policy Aide, Shannon Halley. [View the award here on my blog.](#)