Homestead Preservation Districts Feasibility Study

Austin Housing

October 2025

Background

City Council Resolution No. 20250911-047 directs the preparation of a draft ordinance or ordinances for Council consideration to designate new Homestead Preservation Districts (HPDs) in two areas identified as meeting eligibility criteria under Chapter 373A of the Texas Local Government Code. These areas include Southeast Austin and North Austin. The resolution also calls for a study exploring the feasibility of designating the West Campus area as an HPD and including this area in the draft ordinance for council consideration if found to be eligible.

Eligibility Criteria

Chapter 373A of the Texas Local Government Code establishes the following criteria for establishing an HPD:

1. In each census tract within the area, a median family income (MFI) that is below 80 percent of the citywide MFI.
2. A spatially compact and contiguous geographic area.
3. Each HPD must have an overall poverty rate that is at least two times the current citywide poverty rate.
4. A population below 75,000.

Eligibility Review

This analysis evaluates the eligibility of census tracts that fall within the boundaries of the three proposed HPD areas outlined in the resolution. To determine eligibility, each tract is assessed against the statutory criteria established on Chapter 373A using the most recent available data from the American Community Survey (ACS) 5-Year Estimates for the City of Austin.

1. Each census tract within a proposed HPD must report a median family income below **$98,728.80**, which is 80% of Austin's citywide MFI of $123,411.
2. Proposed HPDs must form a spatially compact and contiguous area, avoiding fragmented or scattered groupings.
3. The citywide poverty rate is 12.3%, meaning any proposed HPDs must have an overall poverty rate of at least **24.6%**, double the city average.
4. The total population must remain under **75,000**.

Data Sources and Methodology

Data is from the US Census American Community Survey (ACS) 2023. The geography is census tracts.

ACS tables used in this analysis:

- Total Population: Table B01003
- Poverty Rate Table: Table S1701
- Overall Poverty Rate: Calculated using a weighted average for all census tracts in the proposed HPD by multiplying each tract's population for whom poverty status is determined by its poverty rate, then dividing the sum of those products by the total population for whom poverty status is determined.
- Median Family Income: Table S1901
- Family Income in last 12 month: Table B19101– used for manually calculating MFI
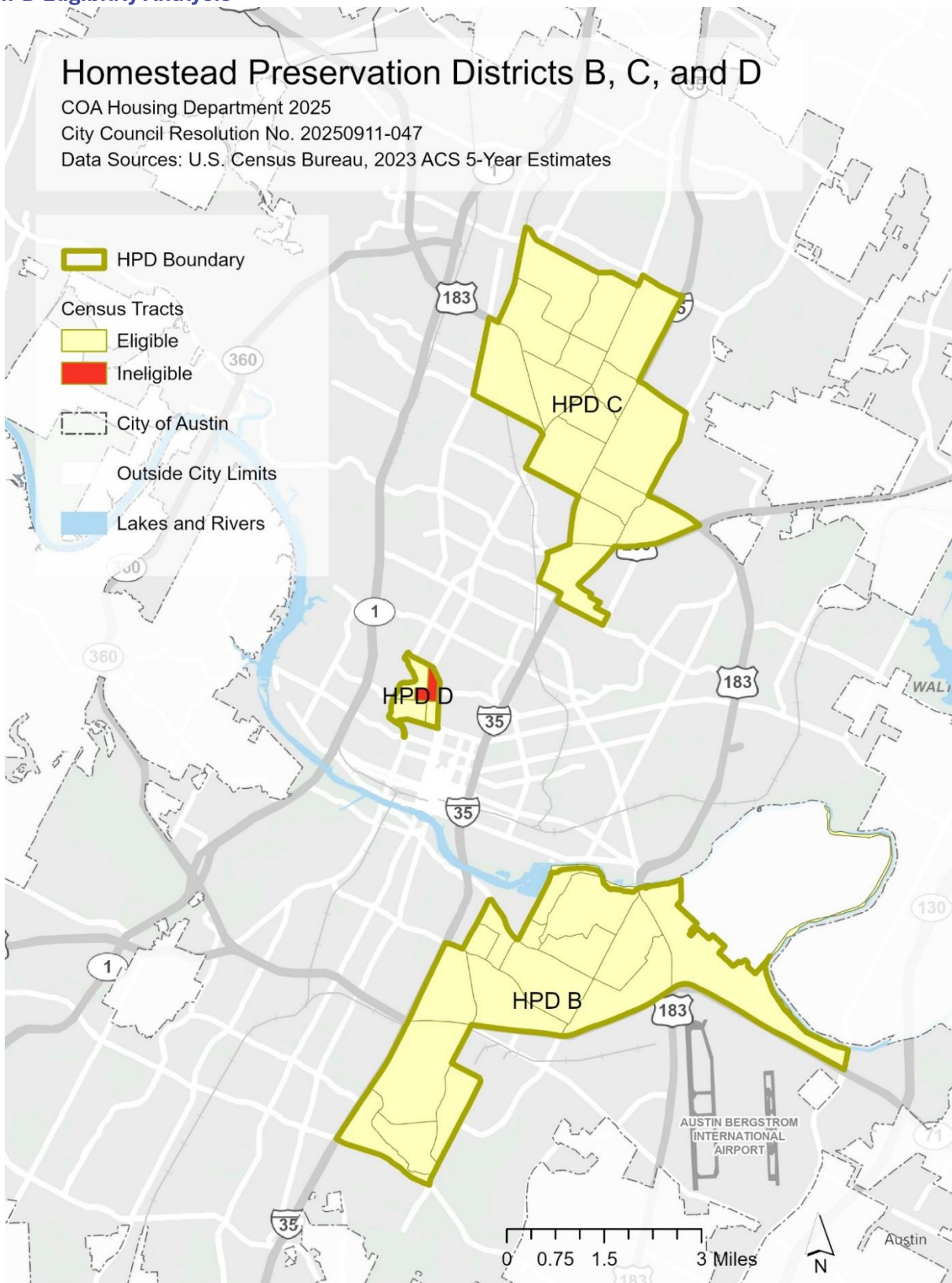
Data Reliability

Data used in this analysis is from the 2023 American Community Survey (ACS) 5-Year Estimates. However, ACS did not publish MFI data for several census tracts—specifically all tracts in West Campus and five in Southeast Austin—due to high margins of error and lack of data reliability. In these cases, city staff manually calculated MFI using grouped income data from Table B19101 (see Appendix A for calculations). While this method provides a reasonable estimate, the margin of error is significant due to the small sample size and necessary assumptions about income distribution.

Coefficient of Variation (CV) measures the relative variability of data or the relative amount of sampling error and indicates how reliable or consistent a dataset is. The lower the CV percentage, the more stable and trustworthy the data is. In the Census Bureau's published Statistical Quality Standards, they note that "serious data quality issues related to sampling error occur when the estimated CV for the majority of the key estimates are larger than 30 percent."[1] The manually calculated Median Family Income for the five census tracts in HPD B (Southeast) have a mean CV of 29.6%. The manually calculated Median Family Income for all census tracts in HPD D (West Campus) have a mean CV of 60.5%, meaning this data is not statistically significant (See Appendix B).

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[1] US Census Bureau. 2022. *Statistical Quality Standards*. US Census Bureau.

HPD Eligibility Analysis

Homestead Preservation Districts B, C, and D
COA Housing Department 2025
City Council Resolution No. 20250911-047
Data Sources: U.S. Census Bureau, 2023 ACS 5-Year Estimates

[HPD B: Southeast Austin](#)
This proposed HPD includes 16 census tracts, and the area is generally bound by Interstate 35 to the west, East Ben White Boulevard to the south, Pleasant Valley Road to the east, and the Colorado River and City of Austin boundary to the north. Census Tracts include: 23.14, 23.16, 24.11, 24.12, 24.13, 24.19, 23.24, 23.2, 23.25, 23.21, 23.07, 23.10, 23.13, 23.15, 23.27, 23.26.
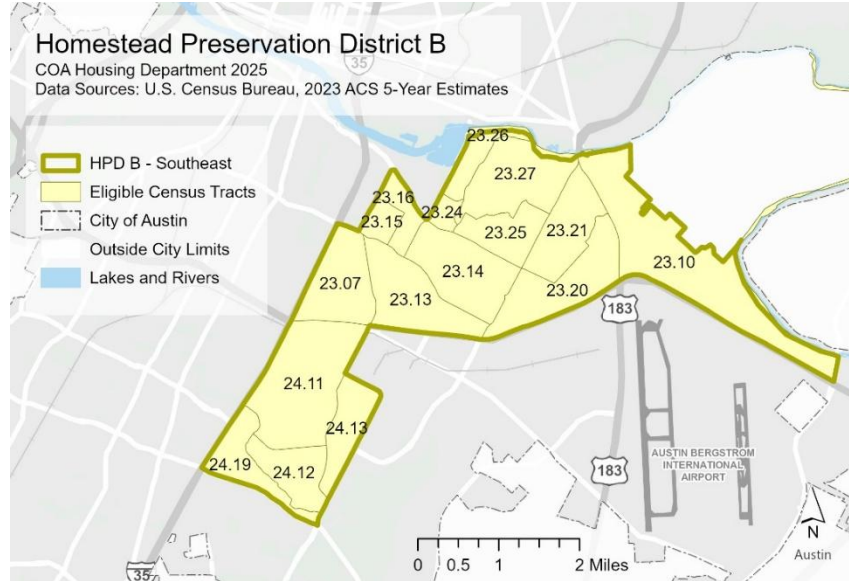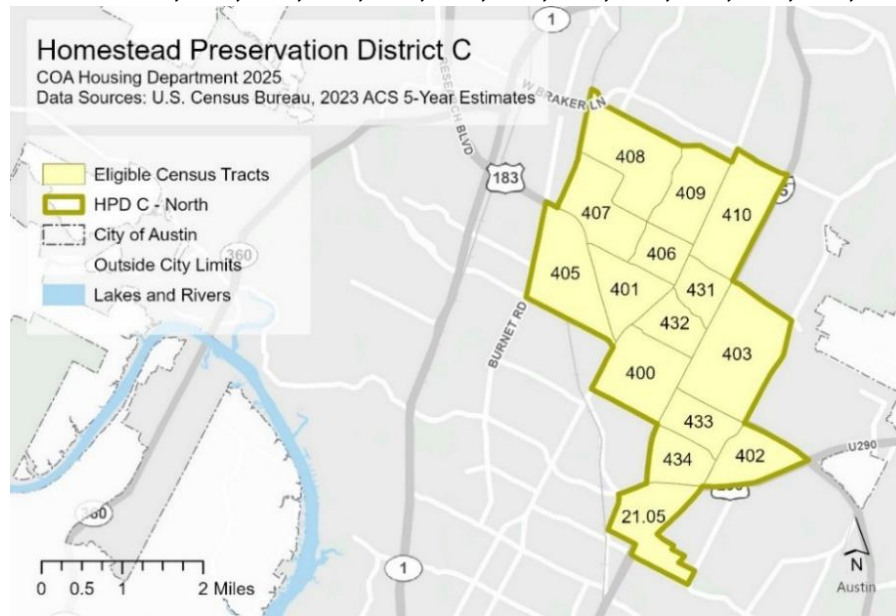

Census Tract	Population	Median Family Income (MFI)	Percent below poverty level
23.14	5,441	93,333	14.1
23.16	3,974	38,191*	31.7
24.11	4,854	61,282	17.9
24.12	4,537	85,156	13.1
24.13	3,263	38,625*	37.1
24.19	4,325	48,326	22.8
23.24	1,661	29,024*	17
23.2	4,328	81,274	16
23.25	4,049	36,250*	39.4
23.21	3,551	92,917	30.9
23.07	4,716	64,352	17.7
23.10	2,731	37,432	18.6
23.13	3,463	37,181	29.5
23.15	2,756	39,567	29.5
23.27	4,919	63,214	46.3
23.26	908	43,103*	26.5
Eligibility Criteria	Total Population <75,000	Highest MFI <$98,728	Overall Poverty >24.6%
HPD Southeast	59,476	$93,333	25.3%
Data Sources	ACS 5-Year (2023) Table B01003	ACS 5-Year (2023) Table S1901 *Table B19101	ACS 5-Year (2023) Table S1701

HPD C: North Austin
This area is generally bound by Interstate 35 to the east, Burnet Road to the west, U.S. Highway 290 and Research Boulevard to the south, and Kramer Lane and Rundberg Lane to the north.
Census Tracts include: 407, 410, 400, 431, 402, 403, 405, 408, 401, 409, 406, 434, 432, 433, 21.05.

Census Tract	Population	Median Family Income (MFI)	Percent below poverty level
407	6,562	27,856	45.4
410	7,758	53,867	26.4
400	5,896	63,100	23.5
431	2,151	56,282	29.9
402	3,172	46,914	24.3
403	6,396	48,273	22.5
405	6,328	58,596	22.9
408	5,270	84,954	24.1
401	4,483	57,667	30.4
409	6,253	59,762	25
406	3,544	42,972	29.1
434	5,049	68,478	23.8
432	3,092	49,542	11.7
433	3,999	55,512	28
21.05	4,526	54,515	25.1
Eligibility Criteria	Total Population <75,000	Highest MFI <$98,728	Overall Poverty >24.6%
HPD North	74,479	$84,954	26.5%
Data Sources	ACS 5-Year (2023) Table B01003	ACS 5-Year (2023) Table S1901	ACS 5-Year (2023) Table S1701

HPD D: West Campus

This area is bounded by West 29th Street, north of Martin Luther King Jr. Boulevard, east of North Lamar Boulevard, and west of Guadalupe Street. Eligible census tracts in this area include: 6.08, 6.07, and 6.05. Ineligible census tracts in this area include: 6.06.
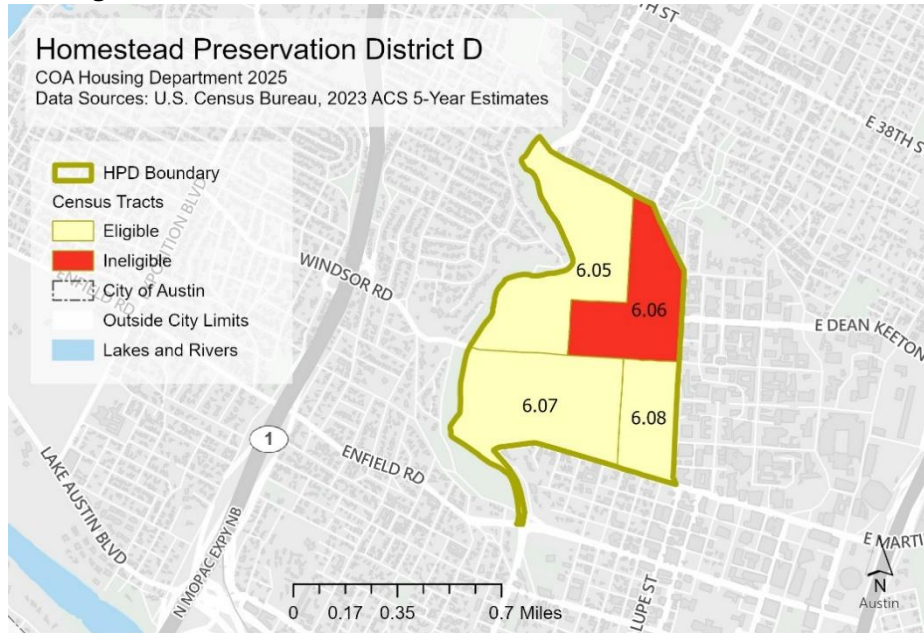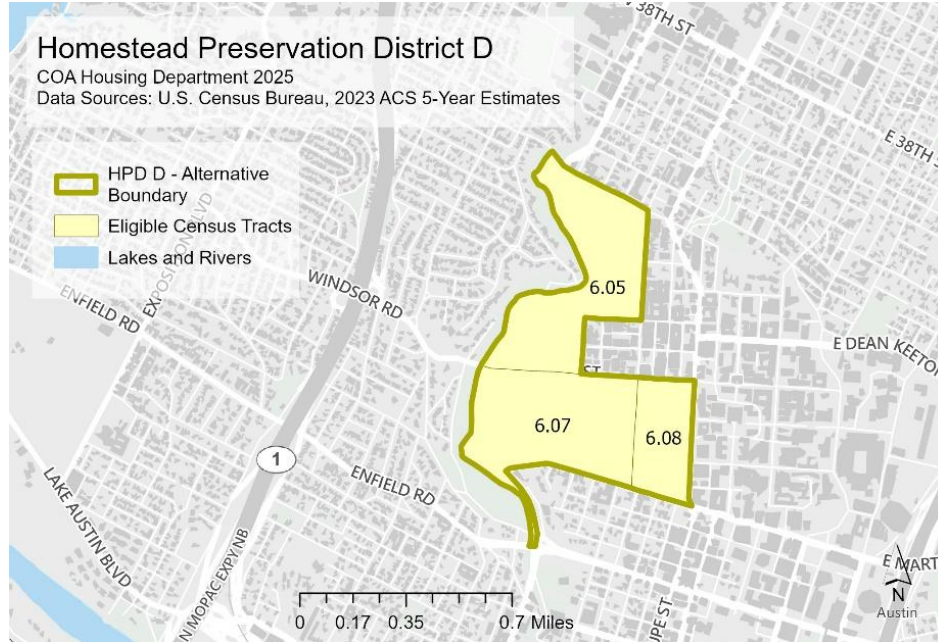

Census Tract	Population	Median Family Income (MFI)	Percent below poverty level
6.08	4,473	58,229	56.5
6.07	2,918	10,000	61.3
6.05	3,191	58,939	60.1
6.06	3,907	160,274	64.6
Eligibility Criteria	Total Population <75,000	Highest MFI <$98,728	Overall Poverty >24.6%
HPD West Campus	14,489	$ 160,274	61%
Data Sources	ACS 5-Year (2023) Table B01003	Table B19101*	ACS 5-Year (2023) Table S1701

*Note: Median Family Income data unavailable from ACS for these census tracts because the margin of error associated with a median was larger than the median itself. For these tracts, MFI was manually estimated using grouped income data and a standard median interpolation formula. While this method provides a reasonable approximation, it may not fully capture local income variability. See Appendix A for calculations.

HPD D: West Campus – Revised Boundary

This area is bounded by Martin Luther King Jr. Boulevard on the south, West 29th Street on the north, North Lamar Boulevard on the west, and an eastern boundary running from Guadalupe Street along West 24th Street, San Gabriel Street, and Rio Grande Street. Eligible census tracts in this area include: 6.08, 6.07, and 6.05.

Census Tract	Population	Median Family Income (MFI)	Percent below poverty level
6.08	4,473	58,229	56.5
6.07	2,918	10,000	61.3
6.05	3,191	58,939	60.1
Eligibility Criteria	Total Population *<75,000*	Highest MFI *<$98,728*	Overall Poverty *>24.6%*
HPD West Campus	10,582	$ 58,939	59%
Data Sources	ACS 5-Year (2023) Table B01003	Table B19101*	ACS 5-Year (2023) Table S1701

*Note: Median Family Income data unavailable from ACS for these census tracts because the margin of error associated with a median was larger than the median itself. For these tracts, MFI was manually estimated using grouped income data and a standard median interpolation formula. While this method provides a reasonable approximation, it may not fully capture local income variability. See Appendix A for calculations.

Findings
HPD B:

HPD B in Southeast Austin includes 16 census tracts, five of which required manual MFI calculation. The average coefficient of variation (CV) for these manual calculations is 29.6% (See Appendix B), lower than West Campus due to a larger sample size. Based on both ACS data and manual calculations, HPD B meets all eligibility criteria and qualifies for designation.

HPD C:

HPD C in North Austin includes 15 census tracts, all of which had complete ACS data. No manual calculations were necessary, and the district meets all eligibility criteria.

HPD D:

In West Campus HPD D, eligibility was analyzed based on manually calculated MFI data drawn from a small sample size—only 412 families despite a total population of 14,489. The average coefficient of variation (CV) for these calculations is 60.5%, indicating significant statistical uncertainty and making these estimates unreliable (See Appendix B). Based on these manual estimates, three of the four census tracts in West Campus meet the eligibility criteria. The remaining tract is ineligible due to an MFI well above the threshold. This ineligible tract forms part of the geographic core of the area, which may pose practical challenges by creating a fragmented district, complicating program implementation, and potentially confusing the public as to why capital investment cannot be applied uniformly across the area. An alternative boundary line could be drawn to exclude the ineligible census tract, resulting in a HPD composed of only the three eligible tracts. This would ensure the entire area within the revised boundary is eligible.

Appendix A: Manual Median Family Income Calculation

Median Family Income Calculation

Median Family Income data was unavailable from ACS for several census tracts in the outlined areas. For these census tracts, MFI was manually calculated using available income data from Table B19101. The interpolation formula below was used to calculate the median from the available data organized in class intervals.

$$\text{Median} = L_m + \frac{(n/2) - F}{f_m} \times i$$

L_m = Lower bound of median class
i = Median class width
n = Total number of observations
F = Frequency before the median
f_m = Frequency of the median class

Grouped family income data from ACS provided the number of families in defined income brackets. The median class was identified as the interval where the cumulative frequency surpassed half the total number of families. Using the lower boundary of that class (Lm), its frequency (fm), the cumulative frequency before it (F), and the class width (i), the median was estimated by interpolating the position of the median within the class, rather than assuming it lies at the midpoint.

While this method can provide an estimated MFI where more precise ACS data is unavailable, the margin of error is significant due to the small sample size for the census tracts in West Campus (refer to "Total Families" rows in the following tables) and the assumption that income is uniformly distributed within each bracket.

HPD B and D Manually Calculated MFI

HPD	D: West Campus				B: Southeast				
Census Tract	6.05	6.06	6.07	6.08	23.16	24.13	23.24	23.25	23.26
Total Families	59	116	158	79	560	639	264	767	112
Less than $10,000	0	17	121	0	99	178	0	228	0
$10,000 to $14,999	0	0	0	0	34	38	0	44	38
$15,000 to $19,999	0	0	0	0	74	0	0	0	0
$20,000 to $24,999	0	0	0	0	43	74	0	52	0
$25,000 to $29,999	0	26	0	0	0	0	164	47	0
$30,000 to $34,999	0	0	0	0	0	15	0	0	0
$35,000 to $39,999	0	0	0	0	47	20	0	50	0
$40,000 to $44,999	0	0	0	0	0	15	0	0	29
$45,000 to $49,999	0	0	0	0	0	0	0	0	0
$50,000 to $59,999	33	0	0	48	16	0	0	10	0
$60,000 to $74,999	0	0	0	31	61	0	53	48	0
$75,000 to $99,999	0	0	0	0	153	240	47	48	0
$100,000 to $124,999	0	0	23	0	33	43	0	97	0
$125,000 to $149,999	26	0	0	0	0	0	0	45	0
$150,000 to $199,999	0	73	0	0	0	0	0	98	0
$200,000 or more	0	0	14	0	0	16	0	0	45
Calculated MFI	$58,939	$160,274	<$10,000	$58,229	$38,191	$38,625	$29,024	$36,250	$43,103

Source: Table B19101

Appendix B: Data Reliability

Coefficient of Variation Calculation

All census tracts in West Campus HPD D and five census tracts in HPD B required manual calculations for MFI. Due to the extremely small sample size in most of these tracts, staff calculated the coefficient of variation (CV) to measure the reliability of the manually calculated estimates. The lower the percentage, the more reliable the data is. While the acceptable threshold for CV varies based on the application and intention of the calculation, the Census Bureau highlights that any CV higher than 30% results in serious data quality issues related to sampling error.

The four census tracts in West Campus have particularly small sample sizes and have CVs ranging from 53% to 68%, meaning the statistical variation in the income estimates is more than half the size of the income itself. The wide range in MFI estimates in West Campus—from less than $10,000 in tract 6.07 to $160,274 in tract 6.06—further illustrates the high variability and limited reliability of the data. This variation combined with the high CV values and small sample size suggests that this data may not be capturing a consistent socioeconomic profile for the area.

$$CV = \frac{\left(S\tan dard\ Error = \frac{MOE}{1.645} \right)}{Estimate} * 100$$

Coefficient of Variation: HPD D Median Family Income

Label (Grouping)	Census Tract 6.05 Estimate	Census Tract 6.05 MOE	Census Tract 6.06 Estimate	Census Tract 6.06 MOE	Census Tract 6.07 Estimate	Census Tract 6.07 MOE	Census Tract 6.08 Estimate	Census Tract 6.08 MOE
Total Families	59	63	116	102	158	145	79	88
Less than $10,000	0	15	17	26	121	137	0	15
$10,000 to $14,999	0	15	0	15	0	15	0	15
$15,000 to $19,999	0	15	0	15	0	15	0	15
$20,000 to $24,999	0	15	0	15	0	15	0	15
$25,000 to $29,999	0	15	26	44	0	15	0	15
$30,000 to $34,999	0	15	0	15	0	15	0	15
$35,000 to $39,999	0	15	0	15	0	15	0	15
$40,000 to $44,999	0	15	0	15	0	15	0	15
$45,000 to $49,999	0	15	0	15	0	15	0	15
$50,000 to $59,999	33	43	0	15	0	15	48	73
$60,000 to $74,999	0	15	0	15	0	15	31	47
$75,000 to $99,999	0	15	0	15	0	15	0	15
$100,000 to	0	15	0	15	23	37	0	15
$125,000 to	26	41	0	15	0	15	0	15
$150,000 to	0	15	73	112	0	15	0	15
$200,000 or more	0	15	0	15	14	24	0	15

CV*		65%		53%		56%		68%

*CV was calculated for the total number of families.

Coefficient of Variation: HPD B Median Family Income

Label (Grouping)	Census Tract 23.16 Estimate	Census Tract 23.16 MOE	Census Tract 24.13 Estimate	Census Tract 24.13 MOE	Census Tract 23.24 Estimate	Census Tract 23.24 MOE	Census Tract 23.25 Estimate	Census Tract 23.25 MOE	Census Tract 23.26 Estimate	Census Tract 23.26 MOE
Total Families	560	212	639	177	264	150	767	241	112	99
Less than $10,000	99	145	178	120	0	15	228	165	0	15
$10,000 to $14,999	34	49	38	29	0	15	44	50	38	54
$15,000 to $19,999	74	69	0	15	0	15	0	15	0	15
$20,000 to $24,999	43	57	74	93	0	15	52	67	0	15
$25,000 to $29,999	0	15	0	15	164	116	47	77	0	15
$30,000 to $34,999	0	15	15	34	0	15	0	15	0	15
$35,000 to $39,999	47	72	20	34	0	15	50	76	0	15
$40,000 to $44,999	0	15	15	20	0	15	0	15	29	48
$45,000 to $49,999	0	15	0	15	0	15	0	15	0	15
$50,000 to $59,999	16	27	0	15	0	15	10	17	0	15
$60,000 to $74,999	61	78	0	15	53	82	48	65	0	15
$75,000 to $99,999	153	129	240	151	47	72	48	65	0	15
$100,000 to	33	37	43	46	0	15	97	71	0	15
$125,000 to	0	15	0	15	0	15	45	70	0	15
$150,000 to	0	15	0	15	0	15	98	82	0	15
$200,000 or more	0	15	16	40	0	15	0	15	45	70
CV*		23%		17%		35%		19%		54%

HPD D Families and Total Population

Geographic Area Name	Census Tract 6.05; Travis County; Texas	Census Tract 6.06; Travis County; Texas	Census Tract 6.07; Travis County; Texas	Census Tract 6.08; Travis County; Texas
Total Families	59	116	158	79
Total Population	3,191	3,907	2,918	4,473