

ORDINANCE NO.

**AN ORDINANCE AMENDING CHAPTER 25-2 OF THE CITY CODE TO
PROVIDE DEVELOPMENT REGULATION INCENTIVES FOR AFFORDABLE
HOUSING.**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. Chapter 25-2 (*Zoning*) of the City Code is amended to add Section 25-2-566 to read:

**§ 25-2-566 SPECIAL REQUIREMENTS FOR AFFORDABLE HOUSING IN
CERTAIN SINGLE FAMILY DISTRICTS.**

- (A) This section applies in a single family residence standard lot (SF-2) district or family residence (SF-3) district.
- (B) A development may comply with single-family residence small lot (SF-4A) district site development regulations if:
 - (1) the development is on three or more acres of previously unsubdivided land; and
 - (2) the director of the Neighborhood Housing and Community Development Department certifies that the development complies with the City's S.M.A.R.T. Housing Program.

PART 2. Chapter 25-2 (*Zoning*) of the City Code is amended to add Section 25-2-567 to read:

**§ 25-2-567 SPECIAL REQUIREMENTS FOR AFFORDABLE HOUSING IN
CERTAIN MULTIFAMILY DISTRICTS.**

- (A) This section applies in a multifamily residence low density (MF-2) district, multifamily residence medium density (MF-3) district, multifamily residence moderate-high density (MF-4) district, or multifamily residence high density (MF-5) district on property that either has not been developed or that has been developed only with an agricultural use.
- (B) Except as provided in Subsection (C), a development may comply with multifamily residence highest density (MF-6) district site development regulations if the director of the Neighborhood Housing and Community

1 Development Department certifies that the development complies with the
2 City's S.M.A.R.T. Housing Program, and:

- 3 (1) for a rental development, ten percent of the residential units in the
4 development are reserved as affordable for a minimum of 40 years
5 following the issuance of a certificate of occupancy for rental by a
6 household earning not more than 60 percent of the median family income
7 for the Austin metropolitan statistical area; or
- 8 (2) for an owner-occupied development:
- 9 (a) five percent of the residential units in the development are reserved
10 as affordable for a minimum of 99 years following the issuance of a
11 certificate of occupancy for ownership and occupancy by a
12 household earning not more than 80 percent of the median family
13 income for the Austin metropolitan statistical area; and
- 14 (b) five percent of the residential units in the development are reserved
15 as affordable for a minimum of 99 years following the issuance of a
16 certificate of occupancy for ownership and occupancy by a
17 household earning not more than 100 percent of the median family
18 income for the Austin metropolitan statistical area.
- 19 (C) Development under this section must comply with the height regulations
20 established in other provisions of this code.

21 **PART 3.** Chapter 25-2 (*Zoning*) of the City Code is amended to add Section 25-2-586 to
22 read:

23 **§ 25-2-586 AFFORDABLE HOUSING INCENTIVES IN A CENTRAL**
24 **BUSINESS DISTRICT (CBD) OR DOWNTOWN MIXED USE (DMU) ZONING**
25 **DISTRICT.**

- 26 (A) This section applies to a residential development or to a mixed use
27 development that contains a residential use that is located in a central business
28 district (CBD) or downtown mixed use (DMU) zoning district only in the
29 manner determined by the City Council in a zoning ordinance.
- 30 (B) In this section, DESIGNATED HOUSING AREA includes:
- 31 (1) the area within two miles of the intersection of Sixth Street and
32 Congress Avenue; and
- 33 (2) if a portion of a neighborhood planning area is within the area described
34 in Paragraph (1), the entire neighborhood planning area.

- 1 (C) Development on a site may exceed the floor-area-ratio limitation of Section
2 25-2-492 (*Site Development Regulations*) and, in a DMU district may exceed
3 the maximum height of the district as determined by the City Council, if the
4 developer:
- 5 (1) provides affordable housing in ten percent or more of the gross floor
6 area that exceeds the floor-area-ratio limitation; or
- 7 (2) pays into the Housing Assistance Fund \$10 for each square foot of gross
8 floor area that exceeds the floor-area-ratio limitation.
- 9 (D) The director shall waive all City development fees and expedite the
10 processing of an application for site plan approval if:
- 11 (1) the developer provides the affordable housing or pays the fee prescribed
12 by Subsection (E); or
- 13 (2) the developer provides:
- 14 (a) affordable housing in five percent or more of the site's gross floor
15 area; or
- 16 (b) pays into the Housing Assistance Fund \$10 a square foot for five
17 percent of the site's gross floor area.
- 18 (E) This subsection prescribes the requirements for affordable housing under
19 Subsections (C) and (D).
- 20 (1) The development must comply with the City's S.M.A.R.T. Housing
21 Program.
- 22 (2) An owner-occupied unit must be available for occupancy for a period of
23 not less than 99 years by an occupant whose gross household income
24 does not exceed 120 percent of the median family income for the Austin
25 metropolitan statistical area.
- 26 (3) A rental unit must be available for occupancy for a period of not less
27 than 40 years by an occupant whose gross household income does not
28 exceed 80 percent of the median family income for the Austin
29 metropolitan statistical area.
- 30 (4) The director may require the developer to execute an agreement,
31 restrictive covenant, or other binding restriction on land use that
32 preserves affordability for the required period.

1 (F) The director of the Austin Neighborhood Housing and Community
2 Development Department may allocate money from the Housing Assistance
3 Fund collected under Subsection (C) or (D) for the financing or production of
4 affordable units in the designated area that meet the following criteria:

5 (1) owner-occupied units are reserved as affordable for a period of not less
6 than 99 years by a family whose gross household income does not
7 exceed 80 percent of the median family income for the Austin
8 metropolitan statistical area; or

9 (2) renter-occupied units are reserved as affordable for a period of not less
10 than 40 years by a family whose gross household income does not
11 exceed 60 percent of the median family income for the Austin
12 metropolitan statistical area.

13 (G) In addition to the notice and public hearing requirements provided in Chapter
14 25-2, Subchapter B, Article 1, Division 3 (*Notice of Filing; Director's Report*)
15 and Division 4 (*Public Hearing; Action*), the director of the Neighborhood
16 Planning and Zoning Department shall schedule a zoning application
17 submitted under Subsection (A) for a public hearing before the Design
18 Commission for recommendation.

19 **PART 4.** Section 1406 (*Ordinance Requirements*) of the City Code is amended to read:

20 **§ 25-2-1406 ORDINANCE REQUIREMENTS.**

21 An ordinance zoning or rezoning property as a NP combining district:

22 (1) must prescribe the special uses described in Section 25-2-1403 (*Special*
23 *Uses*) that are permitted in the district;

24 (2) must describe the location of each residential infill special use,
25 neighborhood urban center special use, or neighborhood mixed use
26 building special use, if any;

27 (3) may restrict the time of day during which a business in a neighborhood
28 mixed use building special use may be open to the public;

29 (4) may restrict a corner store special use, cottage special use, secondary
30 apartment special use, or urban home special use, if any, to a designated
31 portion of the district;

32 (5) for a single-family residential use or a secondary apartment special use
33 on an existing legal lot:

- (a) may reduce the required minimum lot area to 2,500 square feet;
- (b) may reduce the required minimum lot width to 25 feet; and
- (c) for a lot with an area of 4,000 square feet or less, may increase the maximum impervious coverage to 65 percent;
- (6) may apply the requirements of Section 25-2-1602 (*Front Porch Setback*), Section 25-2-1603 (*Impervious Cover and Parking Placement Requirements*), or Section 25-2-1604 (*Garage Placement*) to the district or a designated portion of the district;
- (7) may restrict front yard parking by including all or a portion of the district in the restricted parking area map described in Section 12-5-29 (*Front or Side Yard Parking*); ~~and~~
- (8) may apply the requirements of Section 25-2-812(N) (*Mobile Food Establishments*) to the district or a designated portion of the district; ~~and~~
- (9) may modify the following requirements of Subchapter F (*Residential Design And Compatibility Standards*):
- (a) the maximum floor-to-area ratio and maximum square footage of gross floor area prescribed by Subchapter F (*Residential Design And Compatibility Standards*);
- (b) the maximum linear feet of gables or dormers protruding from the setback plane;
- (c) the height of the side and rear setback planes; and
- (d) the minimum front yard setback requirement; and
- (10) may apply one or more of the provisions of Section 25-2-1605 (*Affordable Housing*) to the district or a designated portion of the district.

PART 5. Chapter 25-2 (*Zoning*) of the City Code is amended to add Section 25-2-1605 to read:

§ 25-2-1605 AFFORDABLE HOUSING.

(A) A provision in this section applies only if:

- (1) the director of the Neighborhood Housing and Community Development Department certifies that the development complies with the City's S.M.A.R.T. Housing Program; and
 - (2) ten percent or more of the dwelling units are reserved for a period of not less than 20 years for rental or purchase by an occupant whose gross household income does not exceed 60 percent of the median family income for the Austin metropolitan statistical area.
- (B) This subsection applies in a single family residence standard lot (SF-2) district or single family residence (SF-3) district.
- (1) The maximum impervious cover is 50 percent if the director of the Watershed Protection and Development Review Department determines that the development will not result in additional identifiable adverse flooding on other property.
 - (2) A noncomplying structure may be replaced with a new structure if the new structure does not increase the existing degree of noncompliance with yard setbacks.
- (C) This subsection applies to a duplex residential use.
- (1) The minimum lot area is 5,750 square feet.
 - (2) The maximum impervious cover is 50 percent if the director of the Watershed Protection and Development Review Department determines that the development will not result in additional identifiable adverse flooding on other property.
 - (3) A maximum of eight bedrooms are permitted.
- (D) This subsection applies to a two family residential use.
- (1) The minimum lot area is 5,750 square feet.
 - (2) The maximum impervious cover is 50 percent if the director of the Watershed Protection and Development Review Department determines that the development will not result in additional identifiable adverse flooding on other property.
 - (3) The second dwelling unit may not exceed a gross floor area of 850 square feet. All of the allowed gross floor area may be on the second story, if any. The gross floor area limitation does not apply to a lot with 7,000 or more square feet of area.

(E) This subsection applies to a secondary apartment special use.

(1) The maximum impervious cover is 50 percent if the director of the Watershed Protection and Development Review Department determines that the development will not result in additional identifiable adverse flooding on other property.

(2) The second dwelling unit may not exceed a gross floor area of 850 square feet. All of the allowed gross floor area may be on the second story, if any. The gross floor area limitation does not apply to a lot with 7,000 or more square feet of area.

PART 6. This ordinance takes effect on _____, 2008.

PASSED AND APPROVED

_____, 2008 §
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 Will Wynn
 Mayor

APPROVED: _____
 David Allan Smith
 City Attorney

ATTEST: _____
 Shirley A. Gentry
 City Clerk