

**RESOLUTION NO. 20140327-040**

**WHEREAS**, the Imagine Austin Comprehensive Plan calls out Austin's limited housing choices and rising housing costs, and recognizes the need for a variety of housing types to meet the financial and lifestyle needs of Austin's diverse population; and

**WHEREAS**, Imagine Austin also identifies the need to retain the character of Austin's neighborhoods by accommodating growth along corridors and major roadways; and

**WHEREAS**, micro-unit housing is an efficient and cost-effective housing choice developed and utilized in many of Austin's peer cities; and

**WHEREAS**, micro-unit housing most often appeals to single people, who make up over a third of Austin's population; and

**WHEREAS**, decoupling parking from housing costs – i.e., renting or selling parking separately, rather than automatically including it in the price of the living space – typically results in a demand reduction of up to 30%; and

**WHEREAS**, micro-unit development offers the potential of placing more affordable dwelling units within reach of those who want to live an urban lifestyle, often accompanied by reduced car ownership; and

**WHEREAS**, Council passed Resolution No. 20140123-059 asking the City Manager to identify best practices and code amendments that would encourage micro-unit development; and

**WHEREAS**, the March 18, 2014 City staff memo identified the primary zoning code constraints that may be inhibiting micro-unit

development in Austin as minimum site area requirements and parking requirements; and

**WHEREAS**, initial staff research suggests that Portland's reduced parking requirements for micro-units has led to tenants parking on the streets of adjacent neighborhoods; and

**WHEREAS**, site area requirements are waived in the Vertical Mixed Use Combining District under 25-2, Subchapter E, Section 4.3.3 for projects that meet affordability requirements, thus providing programs that incentivize affordable housing and an increase in density of dwelling units; and

**WHEREAS**, because the VMU Combining District is generally available on Core Transit Corridors (CTC) and future CTCs, there is a risk reducing or eliminating site area requirements on CTCs and future CTCs could decrease the effectiveness of VMU as a tool for housing affordability in Austin; **NOW, THEREFORE,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

The City Council initiates amendments to Title 25 of the City Code and directs the City Manager to develop an ordinance that reduces or eliminates parking requirements and reduces or eliminates site area requirements for dwelling units less than 500 square feet in size and that are located on core transit corridors, future core transit corridors, or within a Transit Oriented Development District.

**BE IT FURTHER RESOLVED:**

The amendment process should include consideration of how the provisions allowing micro-units should be integrated with current provisions

for Vertical Mixed Use and Transit Oriented development, particularly in regard to affordable housing requirements.

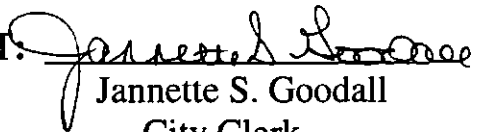
**BE IT FURTHER RESOLVED:**

The City Manager is further directed to compile detailed information and best practices from other cities about the relationship between micro-units and affordability, car ownership, parking, and adjacent neighborhoods.

**BE IT FURTHER RESOLVED:**

The City Manager is directed to seek input from housing stakeholders and the Community Development Commission; and to include a status on the effort in the Housing/Transit/Jobs Action Team report to the Comprehensive Planning and Transportation Council Committee by June 15, 2014; and to return this ordinance to the City Council within 120 days.

**ADOPTED:** March 27, 2014

**ATTEST:**   
Jannette S. Goodall  
City Clerk