

**DRAFT Land Development Code Policy Talk  
Austin City Council, Austin Habitat for Humanity 2/23/15**

**Late Backup**

*Please let me know if Austin Habitat for Humanity can ever assist you or your staff with policy issues surrounding the land development code, affordable housing or construction/development issues in general.*

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**How does the complexity of the current land development code and review process affect the cost of development?**

The complexity of the Land Development Code impacts the developer & the City of Austin – but ultimately it impacts housing residents and our businesses and local economy. The variables inherent in assessing any Land Development Code must include:

- Efficiency (Time)
- Predictability (Known Result = Bottom Line)
- Cost Effectiveness (Money)

The more we can come together and determine development regulations “by right,” the greater chance we have at improving commercial and residential affordability.

- Regulatory Barriers aren’t all bad --- We want to discourage unwanted development & encourage the types of development that is best for the community.
- Austin Habitat is moving toward denser homeownership models within the City of Austin, which is one way to reach affordability by design.

**1. Some current regulatory barriers that add costs:**

- Site Area Requirements (SAR) requirements
  - If we were to reduce site area requirements--we would be able to build more homes, on the same amount of land, thus reducing our land cost per unit
- Compatibility requirements & Parking requirements
  - Especially as Austin Habitat we start to look at community and affordable Live-Work development
- Neighborhood Plans have a lack of consistency and so many overlays
  - For example some neighborhoods do not allow micro-units or Accessory Dwelling Units
- No Master Regional Detention Plan currently in effect that is cost-effective
- Homeownership opportunities for our City’s working class (“the missing middle”) will continue to plague our community, if the land development code does not address affordable homeownership at a range of pricing to serve working, middle-class families.

## **2. Current Land Development Code: Varying Interpretations & Conflicting Provisions**

- Areas of the current Code are subject to varying interpretations and sometimes code provisions conflict; and the timeliness of the process of project review, approvals, and inspections takes the certainty out of the process.
  - There is little consistency in review process. We often will correct one set of comments & resubmit, and then get an entirely different set of issues to be addressed in a resubmission;
  - Some reviewing departments are bottlenecked and this creates time delays, which cost money; and most importantly ---
  - “Cost” impacts not only developers, but for example Austin Habitat has homeowners waiting to move, they are often on month-to-month leases and this creates an incredible burden on these families.
- Definition of Height is not consistent with national “best practice” development regulations
  - The effects both the affordable housing builders as well as the developers of market rate units

## **3. Need a Comprehensive Affordable Housing Land Development Code Framework**

- a. The City has no consistent affordable housing policy that works to achieve our community affordable housing goals. We need a consistent, reliable policy that gets results --- for all types of homes for all types of people in all parts of town.
- b. Currently, we have a mish-mash of ordinances, that are all slightly different – VMU, TOD, PUDs, SMART Housing, and then all of the private agreements between developers and neighborhoods and/or non-profits which provide absolutely no certainty.
- c. SMART Housing must be re-examined to adjust the benefits provided to the developer, in order to make participation in SMART Housing attractive.
  1. The current fee waivers are not enough to encourage private developers to build affordable units; AND
  2. SMART Housing no longer affords “expedited process and review times”
  3. The overall “gives” & “gets” of SMART Housing can work with market force to fill certain gaps in the housing continuum, “the missing middle” and affordable homeownership opportunities.