

**RESOLUTION NO. 20140925-090**

**WHEREAS**, the Imagine Austin Comprehensive Plan vision includes housing diversity and affordability throughout Austin; and

**WHEREAS**, geographic dispersion is one of the City's three core principles for affordability that were originally recommended by the Affordable Housing Incentives Task Force; and

**WHEREAS**, planned unit developments (PUDs) are located throughout the city and are able to provide a mechanism for geographic dispersion; and

**WHEREAS**, PUDs that include a residential component are required to include affordable housing if their density exceeds a baseline density; and

**WHEREAS**, the City Code allows PUDs upon approval by city council to exceed the baseline density without including affordable housing if an in lieu donation is made to the Affordable Housing Trust Fund (City Code 25-2, Article 2, Division 5, 2.5.5(B)); and

**WHEREAS**, the in lieu donation approach which has been in the City Code since 2008, has resulted in zero on-site affordable units in PUDs, with 13 affordable units proposed but not yet occupied in one recent PUD; and

**WHEREAS**, vertical mixed use zoning has an on-site affordability requirement as part of its density bonus program and has resulted in more than 300 affordable units that will be spread throughout many areas of Austin; and

**WHEREAS,** the Housing/Transit/Jobs Action Team reported its recommendation to the Council Comprehensive Plan and Transportation Committee on September 4, 2014 that the in lieu donation option for affordable housing should be removed from density bonus programs to align with Federal Transit Administration Guidelines; and

**WHEREAS,** the City is forgoing opportunities to achieve the critical goal of geographic dispersion of affordable housing with the almost uniform adoption of the in lieu donation option for PUDs; and

**WHEREAS,** the University Neighborhood Overlay, which has created almost 500 on-site affordable units and over \$2,000,000 in payments, includes a tiered affordable housing requirement in which some of the affordable housing is required to be on site and some is allowed to be satisfied via a fee-in lieu; **NOW, THEREFORE,**

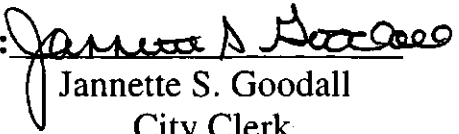
**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

The City Council initiates a code amendment to modify the in lieu donation option for affordable housing requirement for PUDs. Consider the following options:

- Remove the fee in lieu option and require onsite affordable housing.
- Require a significant portion of the affordable housing requirement to be provided onsite and allow a portion to be provided through fee in lieu.

- Consider an exceptions process for the onsite affordable housing requirement.

**ADOPTED:** September 25, 2014

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