ORDINANCE NO. <u>20151119-092</u>

AN ORDINANCE AMENDING CITY CODE CHAPTER 25-2, SUBCHAPTER B, REGARDING PLANNED UNIT DEVELOPMENTS.

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

PART 1. Section 2.5.1 of City Code Chapter 25-2, Subchapter B, Article 2, Division 5 (*Planned Unit Developments*) is amended to read as follows:

2.5.1. Limitation on Development.

Except as provided in Section 2.5.2 (*Requirements for Exceeding Baseline*), site development regulations for maximum height, maximum floor area ratio, and maximum building coverage in a PUD [with residential uses] may not exceed the baseline established under Section 1.3.3 (*Baseline for Determining Development Bonuses*).

PART 2. Section 2.5.2 of City Code Chapter 25-2, Subchapter B, Article 2, Division 5 (*Planned Unit Developments*) is amended to read as follows:

2.5.2. Requirements for Exceeding Baseline.

Development in a PUD [with residential uses] may exceed the baseline established under Section 1.3.3 (*Baseline for Determining Development Bonuses*) for maximum height, maximum floor area ratio, and maximum building coverage if:

A. the application for PUD zoning includes a report approved by the Director of the Neighborhood Housing and Community Development Department establishing the prevailing level of affordability of housing in the vicinity of the PUD, expressed as a percentage of median family income in the Austin metropolitan statistical area; and

B. the developer either:

1. <u>for developments with residential units,</u> provides contract commitments and performance guarantees that provide affordable housing meeting or exceeding the requirements of Section 2.5.3 (*Requirements for Rental Housing*) and Section 2.5.4 (*Requirements for Ownership Housing*); or

2. <u>for developments with no residential units, provides the amount established under Section 2.5.6 (*In Lieu Donation*) for each square foot of bonus square footage above the baseline to the Affordable Housing Trust Fund to be used for producing or financing</u>

affordable housing, as determined by the Director of the Neighborhood Housing and Community Development Department. [makes donations for affordable housing under Section 2.5.6 (~~Alternative Affordable Housing Options~~)].

PART 3. Section 2.5.4 of City Code Chapter 25-2, Subchapter B, Article 2, Division 5 (*Planned Unit Developments*) is amended to read as follows:

2.5.4. Requirements for Ownership Housing.

If owner occupied housing is included in a PUD, dwelling units equal to at least five percent of the bonus area square footage within the PUD must be:

A.   affordable to a household whose income is 80 percent or below the median family income in the Austin metropolitan statistical area; and

B.   affordable in perpetuity from the date a certificate of occupancy is issued; and

C. [B.]   transferred to the owner subject to a shared equity agreement, land trust, or restrictive covenant approved by the Director of the Neighborhood Housing and Community Development Department.

PART 4. Section 2.5.5 of City Code Chapter 25-2, Subchapter B, Article 2, Division 5 (*Planned Unit Developments*) is amended to read as follows:

2.5.5. Alternative Affordable Housing Options.

[~~Development within a PUD may exceed baseline standards as provided in Section 2.5.2.[B.2] (Requirements for Exceeding Baseline) if the developer:~~] A developer of a residential project may request an exception to the contract commitments and performance guarantees in Section 2.5.3 (*Requirements for Rental Housing*) and Section 2.5.4 (*Requirements for Ownership Housing*) as follows:

A.   Subject to approval by the Director of the Neighborhood Housing and Community Development Department, the developer may provide [~~donates~~] to the Austin Housing Finance Corporation land within the PUD that is appropriate and sufficient to develop 20 percent of the residential habitable square footage planned for the PUD [~~, as determined by the Director of the Neighborhood Housing and Community Development Department~~]; or

B.   S[s]ubject to approval by the city council, the developer may provide [~~donates~~] all or a portion of the amount established under Section 2.5.6 (*In Lieu Donation*) for each square foot of bonus square footage above baseline to the Affordable Housing Trust Fund to be used for producing or

financing affordable housing, as determined by the Director of the Neighborhood Housing and Community Development Department.

C. A request to pay a fee in lieu to meet all or a portion of the residential affordability requirement in Section 2.5.2.B must be submitted in writing to the Director of Neighborhood Housing and Community Development Department, must include supporting documentation sufficient to demonstrate the infeasibility of compliance with Section 2.5.2.B., and must be approved by city council as provided in 2.5.5.B above.

D. Regardless of whether a developer requests an exception under this section, the Director of Neighborhood Housing and Community Development may recommend that a developer be allowed to pay a fee in lieu in order to comply with the contract commitments and performance guarantees in Section 2.5.3 (*Requirements for Rental Housing*) and Section 2.5.4 (*Requirements for Ownership Housing*). The recommendation must be in writing, supported by the Director's reasons as to why the fee in lieu option is appropriate, and approved by city council to be effective.

E. Council approval of any alternative affordable housing project shall expire 36 months after the date of approval if the project has not been initiated.

PART 5. The City Manager is directed to have the CodeNext team review and report on the regulatory, economic, and fiscal impacts of Austin's planned unit development programs throughout the city, including the impact on housing affordability options, as part of the CodeNext process.

PART 6. This ordinance takes effect on November 30, 2015.
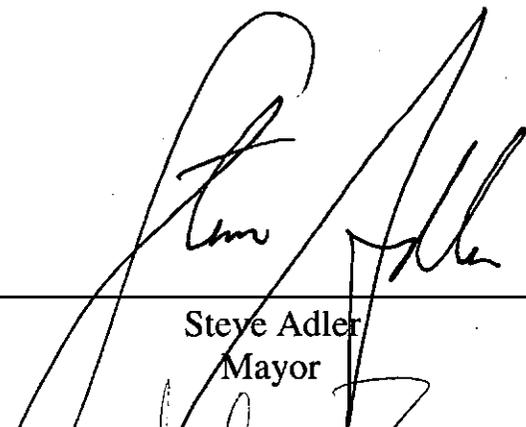
PASSED AND APPROVED

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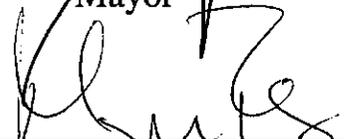November 19   , 2015

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Steve Adler
Mayor

APPROVED: _____   **ATTEST:** _____

Anne L. Morgan
City Attorney

Jannette S. Goodall
City Clerk