

MOTION SHEET

Amending the affordability section of the Pilot Knob PUD ordinance in back-up to remove portions that appear redundant and suggest revisions to the language.

Suggested Script: (read the following from the dais)

I move to amend both Part 7 and Part 8 of the PUD ordinance to remove redundancies, clarify language, and strike language. I move to amend Part 7, which generally describes the Public Facilities of the Pilot Knob PUD, to strike Part 7.C. of the ordinance as it appears to be redundant given that Part 8, which defines the affordable housing program, describes the donation of land for a CapMetro stop in greater detail in Part 8.A. Additionally, I move to amend Part 8.C. and D to clarify the language and also strike certain language from the ordinance:

The exact ordinance language has been provided to the City Clerk and distributed on the dais.

Ordinance Language: provided to City Clerk—changes from ordinance in back up are underlined.

PART 7. Public Facilities.

~~C. The Landowner shall designate a ten acre site for a future intermodal transfer station and related public transportation facilities for market price sale to City or Capital Metro.~~

PART 8. Affordable Housing Program.

C. At least ten percent of the total number of units sold as owner-occupied residential housing units located within the Pilot Knob PUD will, through a mechanism agreed upon by the City and Landowner, be made permanently available at a price affordable to households with incomes at 80 percent of or below the median family income (each an "Affordable Ownership Unit," collective "Affordable Ownership Units") in the Austin metropolitan statistical area (collectively, the "Ownership Affordability Requirement").

1. By making at least 10 percent of the ownership units available for permanent affordability, participation in S.M.A.R.T. Housing allows for

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100% of eligible fee waivers for all residential units within the PUD. The Landowner agrees to deposit into a fund the exact amount of all fee waivers received for the development. These funds will be made available to the Austin Housing Finance Corporation (AHFC), or other entity designated by the City, for the purchase of lots or units within the Pilot Knob PUD at a sales price agreed upon by both parties, down payment assistance for qualified buyers purchasing houses within the Pilot Knob PUD, construction of affordable units and costs associated with administrating the affordable ownership program, and other expenditures agreed upon by the City.

~~2. The Landowner will transfer at least 10 percent of the ownership lots to AHFC, or other entity designated by the City, at a sales price to be agreed upon by both parties which is no more than the lesser of \$45,000 plus a 2% increase annually or 90 percent of the market price based on the most recent market rate contract to a builder in the PUD. Lots must be fully developed, buildable and the subdivision accepted by the City of Austin.~~

2.3. All lots transferred by the Landowner to AHFC, or other entity designated by the City, are subject to approval by AHFC or other entity designated by the City. The lots must be fully developed, buildable, and the subdivision accepted by the City of Austin, and integrated throughout the Pilot Knob PUD.

3.4. The Affordable Ownership Units constructed on any lot shall have substantially similar architectural design and restrictions as other residential units offered for sale to the general public.

4.5. Affordable Ownership units must:

- a) Be sold to an income eligible household at 80 percent of or below median family income;
- b) Include resale restrictions that require that resale of the affordable unit must be to a household at 80 percent of or below median family income; and

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- c) Contain restrictions that will cap the equity that can be achieved upon resale of the affordable unit. Equity will be capped at 2 percent annually based on the affordable sales price; and
 - d) Contain a Right of First Refusal to AHFC or other entity designated by the City. If AHFC does not exercise the right of first refusal, then Affordable Ownership units must be sold to income eligible purchasers.
- D. The Landowner is required to make a financial contribution to AHFC, or other entity designated by the City, in an amount calculated as two percent of the total "hard" construction cost MUD reimbursements (up to \$68 million). ~~less the reduction in available MUD bonding capacity due to any decrease in the appraised tax value on the Affordable Ownership Units as a result of those units being in the affordable housing program, if the bonding capacity is less than the MUD reimbursement amount allowable by law.~~ These funds will be used to further the affordability outcomes required by the City. The contribution shall be deposited into the fund to be established under C.1.
- E. The Landowner agrees to enter into an agreement with the City of Austin that ensures the compliance with Part 8 of this PUD ordinance.