

ORDINANCE AMENDMENT REVIEW SHEET

Amendment: Residential Affordable Housing Development Bonus Program

Description: Consider an ordinance amending Title 25 of the City Code related to creation of a residential affordable housing development bonus program and establishing a modified site plan review process to allow developments meeting certain affordable housing requirements to access additional development entitlements and a modified site plan review process.

Proposed Language: See attached draft ordinance and background information.

Summary of proposed code amendment

- Amend Title 25 of the City Code to grant waivers and modifications of zoning regulations for developments that meet certain affordability requirements, including at least 50% of total units set aside as affordable
- Applies in all commercial and residential zones
- Waivers of zoning regulations include:
 - Compatibility height and setback requirements (Article 10: Compatibility Standards)
 - Floor-to-area ratio limits
 - Parking requirements (with exceptions for accessible parking)
 - Subchapter F (Residential Design & Compatibility Standards)
 - Duplex regulations in Section 25-2-773 (Duplex Residential Use)
- Modifications of zoning regulations include:
 - Reduce front and rear yard setbacks by 50%
 - Increase maximum height to 1.25 times the base zone height limit, or 1.5 times the base zone height limit, depending on the level of affordability
 - Increase maximum density to 1.5 times the base zone density limit, or 2 times the base zone density limit, depending on the level of affordability
- Modified site plan review process for developments of up to 12 or 16 units (depending on the level of affordability)

Background: Initiated by City Council Resolution 20190221-027

In February 2019, City Council issued a resolution directing staff to 1) propose an ordinance granting additional entitlements to developments that meet certain affordable housing requirements, 2) develop an outline for a modified site plan review process that these developments (up to 16 units) could access, and 3) work with affordable housing providers to provide visual representations of how the program would produce more affordable units.

Staff Recommendation: Staff recommends the proposed code amendment.

Board and Commission Actions:

April 17, 2019: Forwarded to Planning Commission without a recommendation by the Codes and Ordinance Joint Committee; vote 4-0 (Commissioners Duncan, Kazi, and Barrera-Ramirez absent).

April 23, 2019: Scheduled to be heard and considered by Planning Commission.

Council Action

May 9, 2019: A public hearing is tentatively scheduled (pending Council action to set the public hearing date).

Ordinance Number: NA

City Staff: Lauren Avioli **Phone:** (512) 974-3141 **Email:** lauren.avioli@austintexas.gov

ORDINANCE NO. _____

**AN ORDINANCE AMENDING TITLE 25 (LAND DEVELOPMENT CODE) TO
CREATE A RESIDENTIAL AFFORDABLE HOUSING DEVELOPMENT
BONUS PROGRAM.****BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:****PART 1. FINDINGS.**

The council finds the following: [to be inserted]

PART 2. Chapter 25-1, Article 15 (*Housing*) is amended to add a new Division 4 (*Residential Affordable Housing Development Bonus Program*) to read as follows:

Division 4. Residential Affordable Housing Development Bonus Program.**§ 25-1-720 PURPOSE, APPLICABILITY, AND SHORT TITLE.**

- (A) The purpose of this division is to establish a voluntary affordable housing bonus program that allows for increased density for residential dwelling units.
- (B) This division applies within the zoning jurisdiction.
- (C) This division may be cited as “Affordable Housing Bonus Program”.

§ 25-1-721 DEFINITIONS.

In this division,

- (1) **CONTINUUM OF CARE HOUSING** means housing set aside for individuals exiting homelessness.
- (2) **DIRECTOR** means the director of Neighborhood Housing and Community Development (NHCD) or the director’s designee.
- (3) **GOVERNMENT-OPERATED AFFORDABLE HOUSING PROGRAM** means a program operated by a federal, state, or local department that provides financial or other form of subsidy for the purpose of providing affordable housing.
- (4) **HOUSING FOR OLDER PERSONS** means housing for households with at least one individual who is at least 62 years of age at the time of initial occupancy.

(5) MFI means median family income for the Austin metropolitan statistical area.

(6) QUALIFYING DEVELOPMENT means a development certified under Section 25-1-724 (*Certification*) and participating in the Affordable Housing Bonus Program.

§ 25-1-722 ELIGIBILITY.

(A) A proposed development qualifies as a Type 1 development and is eligible for this program if:

- (1) it includes a minimum of three dwelling units or the proposed development will consist only of affordable dwelling units;
- (2) at least 25 percent of the affordable dwelling units include two or more bedrooms or the proposed development qualifies as continuum of care housing or housing for older persons;
- (3) not more than 25 percent of the proposed development's gross floor area is for non-residential uses;
- (4) it is new construction or is redevelopment of property with only non-residential structures or the existing development complies with the requirements in Subsection (D); and
- (5) it meets the requirements set forth in Section 25-1-723 (*Affordability Requirements*).

(B) Except for a proposed development participating in a government-operated affordable housing program with stricter requirements, the applicant:

- (1) shall incorporate lease provisions that are consistent with
 - (a) the U.S. Department of Housing and Urban Development (HUD) Section 8 Tenant-Based Assistance Housing Choice Voucher (HCV) Program related to the termination of tenancy by owner; and
 - (b) 24 C.F.R. §245.100 related to a tenant's right to organize; and
- (2) may not discriminate on the basis of an individual's source of income as defined in Section 5-1-13 (*Definitions*).

- (C) A proposed development qualifies as a Type 2 development and is eligible for additional bonuses if it meets the standards imposed in Subsections (A) and (B) plus one or more of the following:
- (1) at least 50 percent of the affordable dwelling units include two or more bedrooms;
 - (2) for a rental development:
 - (a) at least 75 percent of the total units serve households with incomes of 60 percent MFI or below, rounded up to the nearest unit; or
 - (b) at least 10 percent of the affordable units serve households with incomes of 30 percent MFI or below, rounded up to the nearest unit; or
 - (3) for an owner-occupied development, at least 75 percent of the owner-occupied dwelling units serve households with incomes of 80 percent MFI or below; or
 - (4) is located within $\frac{1}{4}$ mile of an activity corridor designated in the Imagine Austin Comprehensive Plan and is served by a bus or transit line.
- (D) A proposed development that will require the applicant to redevelop or rebuild an existing multi-family building is eligible for this program if:
- (1) the proposed development meets the standards imposed in Subsections (A) and (B);
 - (2) the existing multi-family building requires extensive repairs and for which rehabilitation costs will exceed 50 percent of the market value, as determined by the building official;
 - (3) the proposed development will replace all existing units that were affordable to a household earning 80 percent MFI or below in the previous year and have at least as many bedrooms;
 - (4) the applicant provides current tenants with:
 - (a) notice and information about the proposed development on a form approved by the director; and

(b) relocation benefits that are consistent with Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C.A. 4601, *et seq.*; and

(5) the applicant grants current tenants the option to lease a unit of comparable affordability and size following completion of redevelopment.

§ 25-1-723 AFFORDABILITY REQUIREMENTS.

(A) An applicant complies with the requirements in this section if the applicant participates in a government-operated affordable housing program that imposes, at a minimum, the same affordability requirements.

(B) Except for a Type 2 rental development that complies with the requirements described in Section 25-1-722(C)(2), a rental development must comply with the following:

(1) at least 50 percent of the total units serve households whose incomes average 60 percent MFI or below; and

(2) at least 20 percent of the total units serve households with incomes of 50 percent MFI or below.

(C) For an owner-occupied development, at least 50 percent of the owner-occupied dwelling units serving households whose incomes average 80 percent MFI or below.

(D) If the number of units required in this section include less than a whole unit, the unit number is rounded up to the nearest whole unit.

(E) The minimum affordability period for a rental development is 40 years following the issuance of the last certificate of occupancy required for the qualifying development.

(F) The minimum affordability period for an owner-occupied dwelling unit is 99 years following the issuance of a certificate of occupancy for the owner-occupied dwelling unit.

(G) In a multi-phased qualifying development, the director may begin the minimum affordability period upon the issuance of the last certificate of occupancy for each phase.

§ 25-1-724 CERTIFICATION.

- (A) If the director certifies that a proposed development meets the requirements of this division, the accountable official is authorized to process a development application as a qualifying development.
- (B) Before the director may certify that a proposed development meets the requirements of this division, the applicant shall execute an agreement and a document for recording in the real property records that provides notice of or preserves the minimum affordability requirements imposed by this division. The form of the documents described in this section must be approved by the city attorney.
- (C) The director may certify an applicant who complies with the requirements in Subsection (B) because the applicant participates in a government-operated affordable housing program that imposes, at a minimum, the same affordability requirements.

§ 25-1-725 POST-CONSTRUCTION REQUIREMENTS AND ENFORCEMENT.

- (A) The property owner or the property owner's agent shall provide the director with documentation on an annual basis that allows the director to verify compliance with the affordability requirements.
- (B) If for any reason the director is unable to confirm that the affordability requirements were met during any 12-month period, the preceding 12 months may not be used to satisfy the affordability requirements in Section 25-1-723 (*Affordability Requirements*).
- (C) An applicant complies with the requirements in this section if the applicant complies with monitoring and income verification requirements that are imposed and enforced as part of a government-operated affordable housing program.
- (D) A person commits an offense if the person fails to comply with the requirement in Subsection (A). A culpable mental state is not required, and need not be proved. A person commits a separate offense for each day the person fails to provide the income verification documentation. Each offense is punishable by a fine not to exceed \$500.

PART 3. Chapter 25-2, Subchapter C, Article 2, Division 2 (*Requirements for All Districts*) is amended to add a new Section 25-2-518 (*Qualifying Development*) to read as follows:

§ 25-2-518 QUALIFYING DEVELOPMENT.

- (A) In this section, a qualifying development is a development certified under Section 25-1-724 (*Certification*) and participating in the Affordable Housing Bonus Program.
- (B) A qualifying development is a permitted use in any residential or commercial zoning district under Section 25-2-491 (*Permitted, Conditional, and Prohibited Uses*).
- (C) Density is calculated based on the standards in Subchapter E, 4.2.1 (*Mixed Use Combining District*) if the existing zoning on the property where the qualifying development will be located in one of the following commercial base districts:
- (1) neighborhood office (NO);
 - (2) limited office (LO);
 - (3) general office (GO);
 - (4) community commercial (GR);
 - (5) neighborhood commercial (LR);
 - (6) general commercial services (CS); or
 - (7) commercial-liquor sales (CS-1).
- (D) If the existing zoning on the property where the qualifying development will be located is commercial recreation (CR), lake commercial (L), central business (CBD), warehouse limited office (W/LO), or commercial highway services (CH), the density is calculated based on the following minimum site area standards:
- (1) 800 square feet, for an efficiency dwelling unit;
 - (2) 1,000 square feet, for a one bedroom dwelling unit; and
 - (3) 1,200 square feet, for a dwelling unit with two or more bedrooms.

- 182 (E) No more than 25 percent of the gross floor area of the qualifying
183 development may be comprised of non-residential uses. The permitted
184 commercial uses are determined using the base zoning district.
- 185 (F) A qualifying development is not required to comply with:
- 186 (1) the height and setback requirements of Article 10 (*Compatibility*
187 *Standards*);
- 188 (2) the maximum floor-to-area ratio for the applicable base zoning district
189 under Section 25-2-492 (*Site Development Regulations*);
- 190 (3) Subchapter F (*Residential Design and Compatibility Standards*); or
- 191 (4) Section 25-2-773 (*Duplex Residential Use*).

192 **PART 4.** Chapter 25-2, Subchapter C, Article 2, Division 3 (*Exceptions*) is
193 amended to add a new Section 25-2-534 (*Qualifying Development Exceptions*) to
194 read as follows:

195 **§ 25-2-534 QUALIFYING DEVELOPMENT EXCEPTIONS.**

- 196 (A) In this section, a qualifying development is a development certified under
197 Section 25-1-724 (*Certification*) and participating in the Affordable Housing
198 Bonus Program.
- 199 (B) A qualifying development is not subject to Section 25-2-511 (*Dwelling Unit*
200 *Occupancy Limit*).
- 201 (C) A Type 1 development may:
- 202 (1) construct to a height that is the applicable base zoning district height
203 limit multiplied by 1.25;
- 204 (2) reduce front yard setbacks by 50 percent;
- 205 (3) reduce rear setbacks by 50 percent; and
- 206 (4) include the number of dwelling units that is the greater of:
- 207 (a) the maximum number of dwelling units otherwise authorized
208 by this code multiplied by 1.5; or
- 209 (b) six dwelling units.
- 210 (D) In addition to Subsection (C), a Type 2 development may:

(1) construct to a height that is the applicable base zoning district height limit multiplied by 1.5; and

(2) include the number of dwelling units that is the greater of:

(a) the maximum number of dwelling units otherwise authorized by this code multiplied by 2; or

(b) eight dwelling units.

(E) If a qualifying development is also eligible to utilize a separate density bonus program that grants density bonuses for the provision of affordable dwelling units or a fee-in-lieu for affordable housing, then the qualifying development may comply with the least restrictive development requirements if all affordable dwelling units are provided on-site.

PART 5. Section 25-5-3 (*Small Projects*) is amended to amend Subsection (B) and to add a new Subsection (E) to read as follows:

§ 25-5-3 SMALL PROJECTS.

(A) The director shall determine whether a project is a small project described in this section.

(B) The following are small projects:

(1) construction of a building or parking area if the proposed construction:

(a) does not require a variance from a water quality regulation;

(b) does not exceed 5,000 square feet of impervious cover; and

(c) the construction site does not exceed 10,000 square feet, including the following areas:

(i) construction;

(ii) clearing;

(iii) grading;

(iv) construction equipment access;

(v) driveway reconstruction;

(vi) temporary installations, including portable buildings, construction trailers, storage areas for building materials, spoil disposal areas, erosion and sedimentation controls, and construction entrances;

(vii) landscaping; and

(viii) other areas that the director determines are part of the construction site;

(2) construction of a storm sewer not more than 30 inches in diameter that is entirely in a public right-of-way or an easement;

(3) construction of a utility line not more than eight inches in diameter that is entirely in a public right-of-way;

(4) construction of a left turn lane on a divided arterial street;

(5) construction of street intersection improvements;

(6) widening a public street to provide a deceleration lane if additional right-of-way is not required;

(7) depositing less than two feet of earth fill, if the site is not in a 100 year floodplain and the fill is not to be deposited within the dripline of a protected tree;

(8) construction of a boat dock as an accessory use to a single-family residential use, duplex residential use, two-family residential use, or secondary apartment special use if shoreline modification or dredging of not more than 25 cubic yards is not required; or

(9) construction of a retaining wall, if the wall is less than 100 feet in length and less than eight feet in height, and the back fill does not reclaim a substantial amount of land except land that has eroded because of the failure of an existing retaining wall;

(10) minor development that the director determines is similar to that described in Subsections (B)(1) through (9) of this section;

(11) the replacement of development that is removed as a result of right-of-way condemnation; ~~and~~

(12) the construction of a telecommunications tower described in Subsection 25-2-839(F) or (G) (*Telecommunication Towers*); and[-]

(13) the construction of a qualifying multi-family development described in Subsection (E).

(C) Notwithstanding any other provisions in this section, construction of Shoreline Access, as defined in Section 25-2-1172, that exceeds 50 feet in length and is constructed on slopes exceeding 35% gradient does not constitute a small project.

(D) For a small project, the director may waive a submittal requirement that the director determines is not essential to demonstrate compliance with this title. The director shall maintain a record of submittal requirements that are waived under this subsection.

(E) In this section, a qualifying multi-family development is a development certified under Section 25-1-724 (*Certification*) and participating in the Affordable Housing Bonus Program and is:

(1) a Type 1 development consisting of at least three but no more than 12 dwelling units; or

(2) a Type 2 development consisting of at least three but no more than 16 dwelling units.

PART 6. Section 25-6-471 (*Off-Street Parking Facility Required*) is amended to add new Subsections (I), (J), and (K) to read as follows:

§ 25-6-471 OFF-STREET PARKING FACILITY REQUIRED.

(I) In this section, a qualifying development is a development certified under Section 25-1-724 (*Certification*) and participating in the Affordable Housing Bonus Program.

(J) A qualifying development is not required to comply with Appendix A of Chapter 25-6 (*Transportation*) but must comply with the following:

(1) if a qualifying development is less than 10,000 square feet and off-site parking is not provided for the qualifying development, at least one parking space for persons with disabilities is required;

(2) if a qualifying development is less than 10,000 square feet and off-street parking is provided, it must include parking for persons with disabilities as required by the Building Code and may not include fewer accessible spaces than would be required under Paragraph (3) of this subsection; or

(3) if an qualifying development is 10,000 square feet or more, then the minimum number of parking spaces for persons with disabilities is calculated by taking 20 percent of the parking required for the use under Appendix A (*Tables of Off-Street Parking and Loading Requirements*) and using that result to determine the number of accessible spaces required under the Building Code, which may be provided on-or-off-site within 250 feet of the use.

(K) The director may waive or reduce the number of accessible spaces required under Subsection (J) if:

(1) The applicant pays a fee in-lieu to be used by the city to construct and maintain accessible parking in the vicinity of the use. The availability of this option is contingent on the establishment of a fee by separate ordinance and the adoption of a program by the director to administer the fee and establish eligibility criteria. A decision by the director that a use is ineligible for a fee in-lieu is final.

(2) No accessible spaces can be provided consistent with the requirements of Subsection (J) and the use is ineligible for participation in the fee in-lieu program under Paragraph (1) of this section.

(3) An off-site or on-street parking space designated for persons with disabilities that is located within 250 feet of a use may be counted towards the number of parking spaces the use is required to provide under Subsection (J).

PART 7. Chapter 25-7, Article 3 (*Requirements for Approval*) is amended to add a new Section 25-7-67 (*Qualifying Multi-family Development*) to read as follows:

§ 25-7-67 QUALIFYING MULTI-FAMILY DEVELOPMENT.

(A) In this section, a qualifying multi-family development is a development located on a lot platted as residential, certified under Section 25-1-724 (*Certification*) and participating in the Affordable Housing Bonus Program, and is:

(1) a Type 1 development consisting of at least three but no more 12 dwelling units; or

(2) a Type 2 development consisting of at least three but no more than 16 dwelling units.

(B) A qualifying multi-family development must comply with the following regulations:

(1) [to be inserted]

PART 8. This ordinance takes effect on _____, 2019.

PASSED AND APPROVED

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_____, 2019

Steve Adler
Mayor

APPROVED: _____

Anne L. Morgan
City Attorney

ATTEST: _____

Jannette S. Goodall
City Clerk

RESOLUTION NO. 20190221-027

WHEREAS, in order to address the affordable housing crisis, the Austin City Council adopted the Strategic Housing Blueprint (Blueprint) with the goal of producing a total of 135,000 new units with a goal of at least 60,000 new income restricted units by 2027; and

WHEREAS, to create more than 47,000 affordable units called for in the Blueprint, additional City Council policy direction is required; and

WHEREAS, there is a need for affordable housing of all types including, but not limited to, single family, duplex, townhome, condominium, and multifamily, located throughout the City; and

WHEREAS, the City Council has passed numerous resolutions aiming to strategically improve affordable housing programs to meet the Blueprint's goals, such as exploring ways to provide residents the right to return, connect those with the highest needs with affordable housing, and better monitor the affordable units being created through various programs; and

WHEREAS, currently many affordable housing units, including new affordable housing developments and properties that accept Housing Choice Vouchers are located east of IH-35, north of Hwy 183, south of SH 71, and in the City's extraterritorial jurisdiction (ETJ); and

WHEREAS, the 4% Low Income Housing Tax Credit (LIHTC) program is a popular financing tool used to create affordable housing and requires at least 50% of a development's units to average at 60% median family income; and

WHEREAS, many 4% LIHTC developments in the City or in City's ETJ are located in areas that lack many amenities and viewed as lower opportunity areas; and

WHEREAS, past affordable housing efforts have not maximized their potential impact because of some city restrictions, thereby limiting the number of affordable units, limiting levels of affordability, and limiting the availability of income restricted family-friendly units; and

WHEREAS, in November, 2018, voters approved \$250 million for affordable housing, which may serve more families at deeper levels of affordability if City restrictions on residential development are modified; and

WHEREAS, the Austin Strategic Housing Blueprint, Austin's Fair Housing Action Plan, the Obama White House Housing Development Toolkit, and multiple other studies and reports have found that some land use restrictions can be a barrier to housing affordability; and

WHEREAS, maximizing the use of land for affordable housing will allow for more affordable units, deeper levels of affordability, more family-friendly units, and will facilitate affordable housing in higher opportunity areas; and

WHEREAS, the City Council approves many zoning cases for affordable housing developments; however, some restrictions that may result in additional affordable housing units cannot be waived in a zoning case; and

WHEREAS, the rezoning process may be costly, time consuming, and may ultimately limit the number of affordable units, level of affordability, and number of family-friendly units in an affordable housing development and allowing affordable housing to be built by-right without rezoning may benefit the City's affordable housing stock; and

WHEREAS, the City Council has missed opportunities to allow for the creation of more affordable units; and

WHEREAS, Saigebrook's Aria Grand is a 9% LIHTC multifamily property in Travis Heights that received \$1.5 million in affordable housing bond subsidies to develop 60 affordable units, but could have created 10 more affordable units without compatibility and 20 more affordable units without parking requirements with negligible increases in public subsidies and a decrease in the overall subsidy per unit; and

WHEREAS, Guadalupe Neighborhood Development Corporation was able to build 6 more units for a total of 22 units at its La Vista de Guadalupe development due to a substantial reduction of compatibility limitations; and

WHEREAS, Habitat for Humanity's development in the Plaza Saltillo Transit Oriented Development is participating in an affordable housing bonus program that waives

parking, allowing it to build 56 affordable units, where they would not have built any otherwise; and

WHEREAS, the City Council is dedicated to finding creative, innovative solutions to address the City's affordable housing crisis, to create more affordable housing in high opportunity areas, to increase the effectiveness of public dollars, and to meet the goals of the Austin Strategic Housing Blueprint; **NOW, THEREFORE**,

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

In order to increase the number of affordable units and to most effectively utilize 2018 Affordable Housing Bond funds and other public funds and resources, the Council initiates amendments to City Code Title 25 (*Land Development Code*) to create an affordable housing program on a citywide basis. After adopting the amendments initiated by this resolution, Council directs the City Manager to provide an annual report on the impact and outcomes of the program to City Council and for the Planning Commission to review the results of the program after three years.

To be eligible for this program, a residential development must provide the following:

1. for rental housing, at least 50% of total units serving households with incomes at an average of 60% MFI or below and including at least 20% of total units serving households with incomes at 50% MFI or below, rounded up to the nearest unit, for at least 40 years;

2. for homeownership housing, at least 50% of owner-occupied units serving households with incomes at an average of 80% MFI or below, rounded up to the nearest unit, for at least 99 years;
3. at least three units total, unless the development is 100% affordable;
4. at least 25% of affordable units must have two or more bedrooms, unless the affordable units are permanent supportive housing or senior housing, rounded up to the nearest unit; and
5. provide just cause eviction protections and the right of tenants to organize, as required in existing city/federal affordable housing agreements.

This program would be available for a residential development or redevelopment irrespective of whether the proposed development or redevelopment requires a zoning change or other discretionary action from a City commission or the Council. It is the intent of the Council for this program to be accessed without requesting a further discretionary action by the Council. A property owner would be allowed to use this program in addition to any other existing affordable housing bonus programs, and apply in all overlays and regulating plans.

In order to avoid unnecessary disruption and displacement of low-income renters, this program would be available when an existing multifamily rental residential development is redeveloped or rebuilt only if:

1. the reason for the redevelopment or rebuilding is to replace residential facilities in serious need of repair and for which rehabilitation is not practicable and current tenants are provided notice of the redevelopment proposal; and
2. the property owner agrees to replace the affordable units (market-rate and/or income-restricted units that have been affordable to households earning 80% MFI or below in the previous year) one for one, without reducing the number of affordable bedrooms, grant current tenants a right to return to the development to a comparable unit after redeveloping or rebuilding, set rents so that current tenants are able to afford to return, and provide relocation benefits that are consistent with Uniform Relocation Act.

BE IT FURTHER RESOLVED:

The Council intends for a residential development that participates in this program to be allowed in any residential and commercial zone, but not industrial zones, and does not waive existing rules and requirements related to residential uses near health hazards; and to comply only with the occupancy limits for multi-family zoning districts. Any development that accesses this program shall not be comprised of more than 25% of gross floor area as non-residential use.

The Council intends for this program to:

1. waive compatibility standards for height and setbacks, but maintain the side setbacks as required by the base zoning district, and maintain requirements for any health and safety or environmental protection related setbacks;
2. allow building height to be 1.25 times the base zoning district's height entitlements;
3. waive parking requirements without waiving state or federal ADA parking requirements;
4. reduce front yard and rear setbacks by 50%;
5. allow density (i.e., site area requirements and units per acre) to be 1.5 times the base zoning district's density limits or allow six units, whichever is greater;
6. waive maximum floor-to-area-ratio;
7. waive the Residential Design and Compatibility Standards, as codified in Chapter 25-2, Subchapter F, but maintain the side setbacks as required by the base zoning district, and maintain requirements for any health and safety or environmental protection related setbacks;
8. require a modified site plan process that more closely resembles residential site plan while still addressing health and safety and addressing and reviewing drainage in the same way that drainage is addressed and reviewed for non-multifamily structures with the same impervious cover, including any adjustments to fee schedule as necessary, for developments with 12 or fewer units; and

9. waive common wall, roof, front porch, and other restrictions specific to duplexes in Section 25-2-773.

BE IT FURTHER RESOLVED:

If the development meets the aforementioned requirements, but in addition has:

1. between 75% and 100% of its units at rates affordable as defined above;
2. at least 50% of the affordable units have two or more bedrooms;
3. at least 10% of the affordable units serve households with incomes 30% MFI or below; or
4. is located within $\frac{1}{4}$ mile of an Imagine Austin Corridor that is served by a bus or transit line,

then, in addition to the bonuses described above, the development may also:

1. allow building height to be 1.5 times the base zoning district's height entitlements;
2. allow density (i.e., site area requirements and units per acre) to be 2 times the base zoning district's density limits or allow eight units, whichever is greater; and
3. require a modified site plan process that more closely resembles residential site plan while still addressing health and safety and addressing drainage in the same way that drainage is addressed for non-multifamily structures with the same impervious cover, including any adjustments to fee schedule as necessary, for developments with 16 or fewer units.

BE IT FURTHER RESOLVED:

The amendments initiated by this resolution should be designed with the goal of expanding the requirements, through subsequent code amendments, to align with any future changes to other City affordable housing program requirements or approvals that extend the affordability period, require rights of first refusal, or modify other program requirements.

BE IT FURTHER RESOLVED:

A residential development can establish eligibility for this program using documents required to participate in affordable housing programs operated by a local, state, or federal agency. Examples of affordable housing programs include the Low-Income Housing Tax Credit (LIHTC) program, the City's Rental Housing Development Assistance Program (RHDA), and programs funded through the U.S. Department of Housing and Urban Development. Otherwise, the Director shall establish eligibility procedures for the program that are similar to the procedures of other City bonus programs.

BE IT FURTHER RESOLVED:

The Council acknowledges that Planning Commission may recommend modifications to the amendments described in this resolution to best achieve the goals in Imagine Austin. Planning Commission should consider how to ensure the program maximizes affordable housing, meets our transportation goals and to consider the use of Transportation Demand Management Plan (TDM) as a tool for transportation needs as appropriate, and meets the housing and transportation needs of people with disabilities, and may review

setbacks/buffers and other options to address transitions between adjacent properties, with the intent of not reducing the positive impacts of this program.

BE IT FURTHER RESOLVED:

The amendments initiated by this resolution may not include increases in allowable impervious cover.

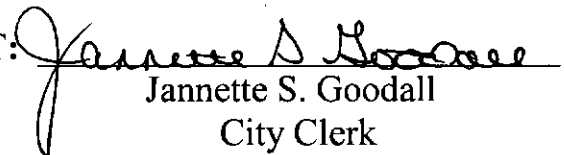
BE IT FURTHER RESOLVED:

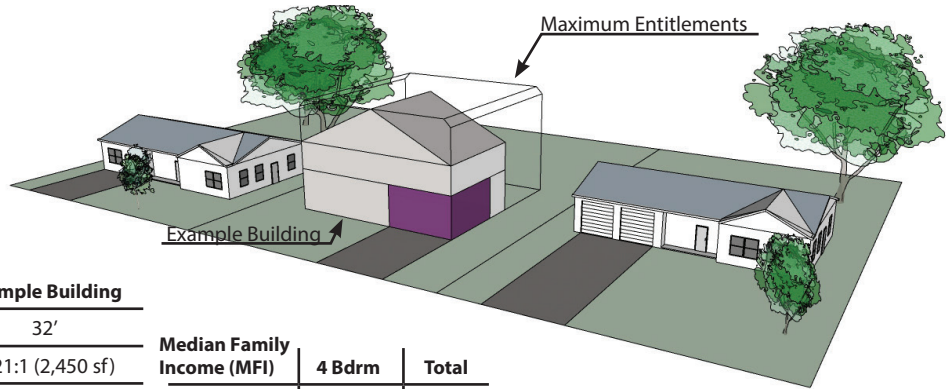
The City Council directs the City Manager to:

1. work with affordable housing providers to provide visual representations of examples of how the program would produce more affordable units in more geographic areas, and the Manager should work with such providers to bring information forward to Council about potential projects—including their size, location, unit mix, affordability—with and without this new affordable housing program;
2. bring back an outline of the proposed modified site plan review process; and
3. bring back an ordinance for Council consideration no later than May 9, 2019.

ADOPTED: February 21, 2019

ATTEST:


Jannette S. Goodall
City Clerk



Current Zoning

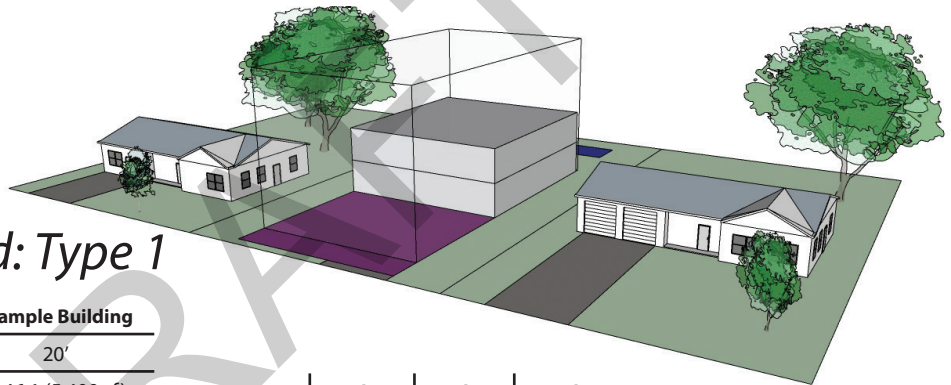
Specifications	Maximum Entitlements	Example Building
Height	35'	32'
FAR (GFA)	0.4:1 (4,704 sf)	0.21:1 (2,450 sf)
Building Cover	40% (4,704 sf)	12% (1,425 sf)
Impervious Cover	45% (5,292 sf)	18% (2,085 sf)
Units	1	1
Parking	2	2
Setbacks (F/ S/ R)	25' / 5' / 10'	30' / 15' / 88'

Median Family Income (MFI)	4 Bdrm	Total
30%	0	0
50%	0	0
60%	0	0
Market Rate	1	1
TOTAL	1	1

Affordability Unlocked: Type 1

Specifications	Maximum Entitlements	Example Building
Height	43.75'	20'
FAR (GFA)	No Limit	0.46:1 (5,400 sf)
Building Cover	40% (4704 sf)	23% (2,700 sf)
Impervious Cover	45% (5,292 sf)	44% (5,160 sf)
Units	6	6
Parking	None Required	8
Setbacks (F/ S/ R)	12.5' / 5' / 5'	51' / 15' / 42'

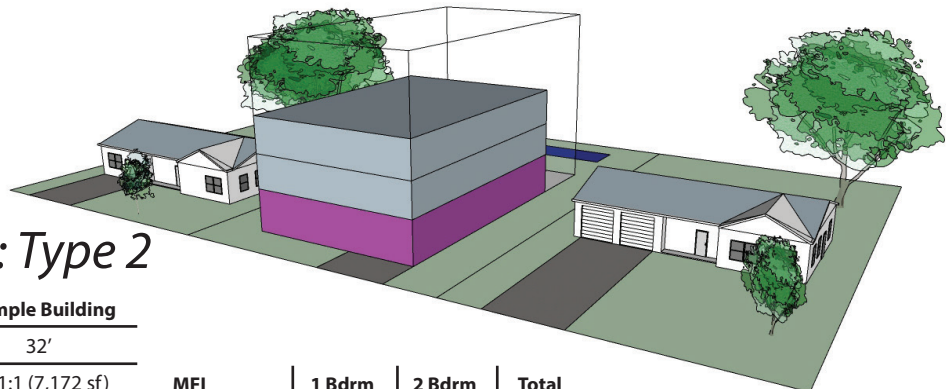
MFI	1 Bdrm	2 Bdrm	Total
30%	0	0	0
50%	1	0	1
60%	1	1	2
Market Rate	0	3	3
TOTAL	2	4	6



Affordability Unlocked: Type 2

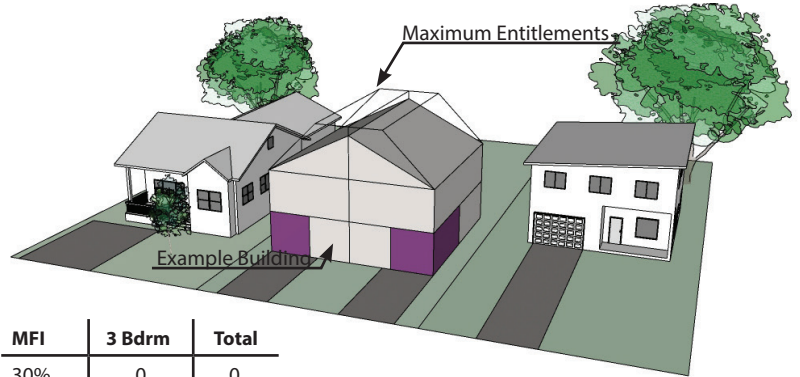
Specifications	Maximum Entitlements	Example Building
Height	52.5'	32'
FAR (GFA)	No Limit	0.61:1 (7,172 sf)
Building Cover	40% (4704 sf)	31% (3,586 sf)
Impervious Cover	45% (5,292 sf)	33% (3,887 sf)
Units	8	8
Parking	None Required	12
Setbacks (F/ S/ R)	12.5' / 5' / 5'	12.5' / 15' / 62'

MFI	1 Bdrm	2 Bdrm	Total
30%	1	0	1
50%	1	0	1
60%	1	3	4
Market Rate	1	1	2
TOTAL	4	4	8



Current Zoning

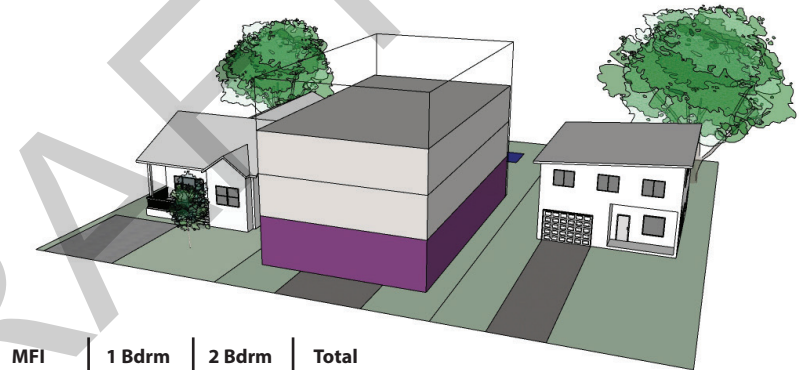
Specifications	Maximum Entitlements	Example Building
Height	35'	30'
FAR (GFA)	0.4:1 (2,800 sf)	0.4:1 (2,800 sf)
Building Cover	40% (2,800 sf)	23% (1,600 sf)
Impervious Cover	45% (3,150 sf)	31% (2,200 sf)
Units	2	2
Parking	4	4
Setbacks (F/ S/ R)	25' / 5' / 10'	25' / 5' / 75'



MFI	3 Bdrm	Total
30%	0	0
50%	0	0
60%	0	0
MR	2	2
TOTAL	2	2

Affordability Unlocked: Type 1

Specifications	Maximum Entitlements	Example Building
Height	43.75'	32'
FAR (GFA)	No Limit	0.78:1 (5,480 sf)
Building Cover	40% (2,800 sf)	39% (2,740 sf)
Impervious Cover	45% (3,150 sf)	43% (2,990 sf)
Units	6	6
Parking	None Required	8
Setbacks (F/ S/ R)	12.5' / 5' / 5'	12.5' / 5' / 59'



MFI	1 Bdrm	2 Bdrm	Total
30%	0	0	0
50%	2	0	2
60%	0	1	1
MR	2	1	3
TOTAL	4	2	6

Affordability Unlocked: Type 2

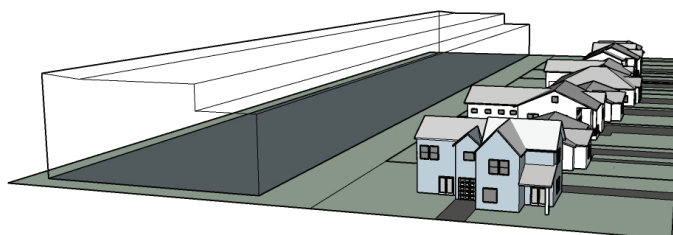
Specifications	Maximum Entitlements	Example Building
Height	52.5'	42'
FAR (GFA)	No Limit	1.17:1 (8,220 sf)
Building Cover	40% (2,800 sf)	39% (2,740 sf)
Impervious Cover	45% (3,150 sf)	43% (2,990 sf)
Units	8	8
Parking	None Required	10
Setbacks (F/ S/ R)	12.5' / 5' / 5'	12.5' / 5' / 59'



MFI	1 Bdrm	2 Bdrm	3 Bdrm	Total
30%	1	0	0	1
50%	1	0	0	1
60%	1	2	0	3
MR	1	1	1	3
TOTAL	4	3	1	8

Current Zoning

Specifications	Maximum Entitlements	Example Building**
Height	60'*	-
FAR (GFA)	2:1 (137,160 sf)	-
Building Cover	95% (65,151 sf)	-
Impervious Cover	95% (65,151 sf)	-
Units	0	-
Parking	(dependent on use)	-
Setbacks (F/ S/ R)	10' / 10' / 0'	-



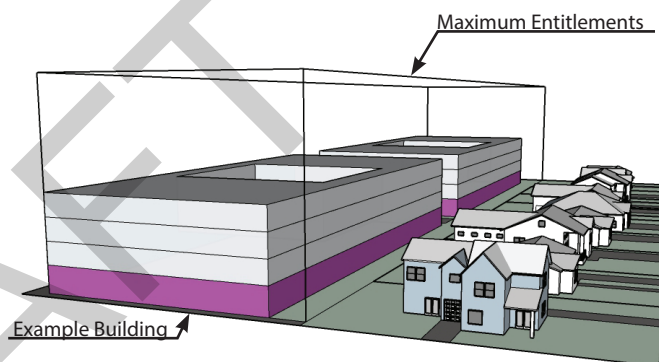
*Compatibility restricts this height.

**Under current code, residential uses are not permitted in the CS zone with-out a zone change.

*** Water quality / drainage are provided subsurface and therefore are not shown.

Affordability Unlocked: Type 1

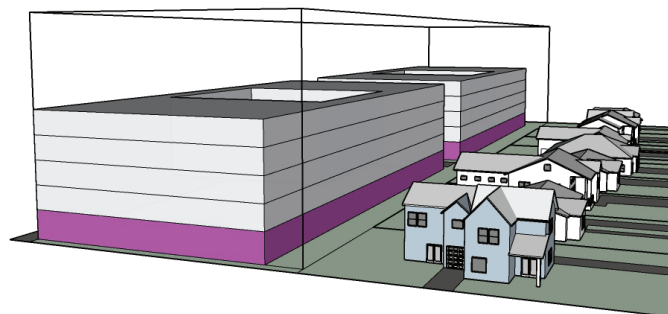
Specifications	Maximum Entitlements	Example Building
Height	75'	48'
FAR (GFA)	No Limit	1.5:1 (104,256 sf)
Building Cover	95% (65,151 sf)	68% (46,920 sf)
Impervious Cover	95% (65,151 sf)	80% (54,760 sf)
Units	1.5x base zone limit	96
Parking	None Required	125
Setbacks (F/ S/ R)	5' / 10' / 0'	5' / 10' / 15' / 35'



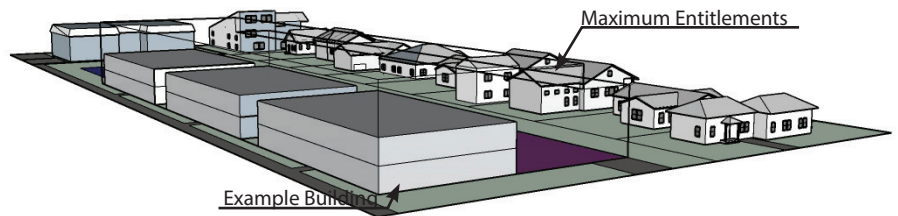
MFI	Eff	1 Bdrm	2 Bdrm	3 Bdrm	Total
30%	0	0	0	0	0
50%	14	6	0	0	20
60%	0	16	12	0	28
MR	0	17	17	14	48
TOTAL	14	39	29	14	96

Affordability Unlocked: Type 2

Specifications	Maximum Entitlements	Example Building
Height	90'	60'
FAR (GFA)	No Limit	2.0:1 (139,008 sf)
Building Cover	95% (65,151 sf)	68% (46,920 sf)
Impervious Cover	95% (65,151 sf)	80% (54,760 sf)
Units	2x base zone limit	128
Parking	None Required	145
Setbacks (F/ S/ R)	5' / 10' / 0'	5' / 10' / 15' / 35'

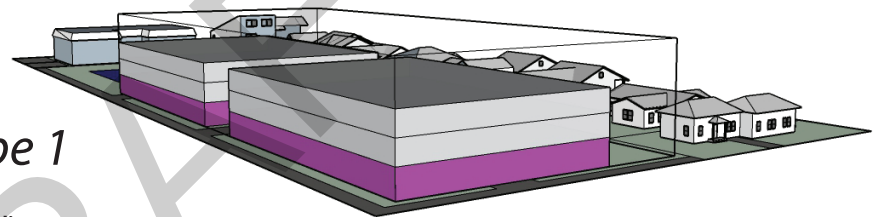


MFI	Eff	1 Bdrm	2 Bdrm	3 Bdrm	Total
30%	10	0	0	0	10
50%	10	6	0	0	16
60%	0	33	48	0	81
MR	0	13	0	8	21
TOTAL	20	52	48	8	128



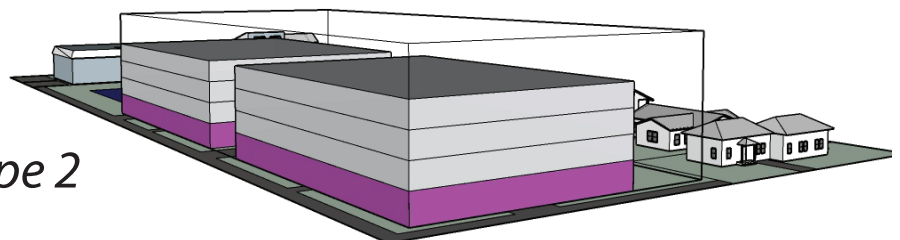
Current Zoning

Specifications	Maximum Entitlements	Example Building						
Height	40'	20'						
FAR (GFA)	No Limit	0.45:1 (37,320 sf)	MFI	Eff	1 Bdrm	2 Bdrm	3 Bdrm	Total
Building Cover	55% (46,057 sf)	22% (18,660 sf)	30	0	0	0	0	0
Impervious Cover	60% (50,244 sf)	54% (45,003 sf)	50	0	0	0	0	0
Units	39	39	60	0	0	0	0	0
Parking	68	68	MR	5	16	12	6	39
Setbacks (F/ S/ R)	25' / 15', 5' / 10'	25' / 15', 83' / 194'	TOTAL	5	16	12	6	39



Affordability Unlocked: Type 1

Specifications	Maximum Entitlements	Example Building						
Height	50'	32'						
FAR (GFA)	No Limit	0.72:1 (60,000 sf)	MFI	Eff	1 Bdrm	2 Bdrm	3 Bdrm	Total
Building Cover	55% (46,057 sf)	36% (30,000 sf)	30%	0	0	0	0	0
Impervious Cover	60% (50,244 sf)	46% (38,182 sf)	50%	9	3	0	0	12
Units	1.5x base zone limit	60	60%	0	10	8	0	18
Parking	None Required	78	MR	3	11	9	7	30
Setbacks (F/ S/ R)	12.5' / 15', 5' / 5'	12.5' / 15', 43' / 185'	TOTAL	12	24	17	7	60

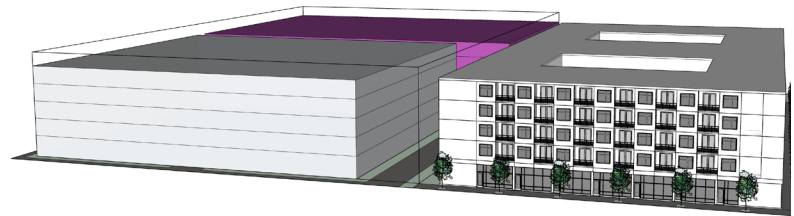


Affordability Unlocked: Type 2

Specifications	Maximum Entitlements	Example Building						
Height	60'	42'						
FAR (GFA)	No Limit	1.1:1 (90,000 sf)	MFI	Eff	1 Bdrm	2 Bdrm	3 Bdrm	Total
Building Cover	55% (46,057 sf)	36% (30,000 sf)	30%	6	0	0	0	6
Impervious Cover	60% (50,244 sf)	46% (38,182 sf)	50%	2	8	0	0	10
Units	2x base zone limit	76	60%	0	12	19	10	41
Parking	None Required	94	MR	0	10	0	9	19
Setbacks (F/ S/ R)	12.5' / 15', 5' / 5'	12.5' / 15', 43' / 185'	TOTAL	8	30	19	19	76

Current Zoning

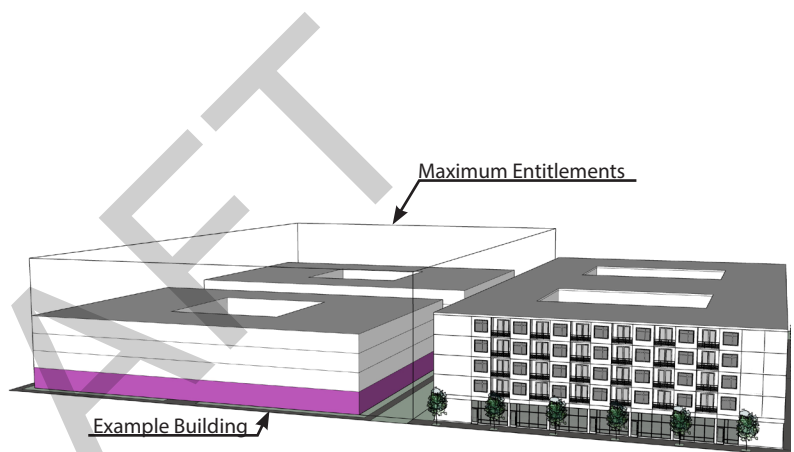
Specifications	Maximum Entitlements	Example Building*
Height	60'	52'
FAR (GFA)	2:1 (181,300 sf)	1.98:1(180,000 sf)
Building Cover	95% (86,117 sf)	83% (75,950 sf)
Impervious Cover	95% (86,117 sf)	91% (82,488 sf)
Units	0	0
Parking	(dependent on use)	654
Setbacks (F/ S, S / R)	10' / 10'; 0' / 0'	10' / 10'; 0' / 0'



*The example building shown above is an office use. Under current code, residential uses are not permitted in the CS zone without a zone change.

Affordability Unlocked: Type 1

Specifications	Maximum Entitlements	Example Building
Height	75'	42'
FAR (GFA)	No Limit	1.65:1 (149,790 sf)
Building Cover	95% (86,117 sf)	55% (49,930 sf)
Impervious Cover	95% (86,117 sf)	66% (59,418 sf)
Units	1.5x base zone limit	128
Parking	None Required	166
Setbacks (F/ S, S/ R)	5' / 10'; 0' / 0'	10' / 10'; 20' / 30'



MFI	Eff.	1 Bdrm	2 Bdrm	3 Bdrm	Total
30%	0	0	0	0	0
50%	19	7	0	0	26
60%	0	22	16	0	38
MR	0	23	22	19	64
TOTAL	19	52	38	19	128

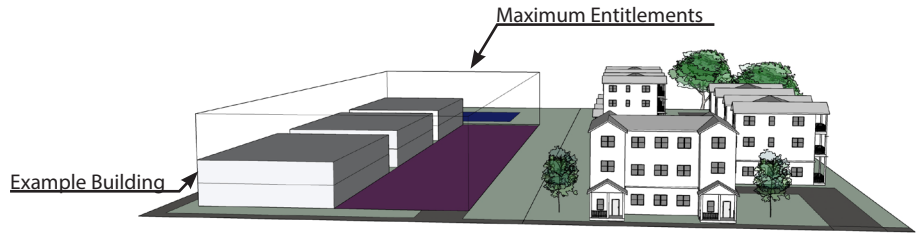
Affordability Unlocked: Type 2

Specifications	Maximum Entitlements	Example Building
Height	90'	52'
FAR (GFA)	No Limit	2.2:1 (199,720 sf)
Building Cover	95% (86,117 sf)	66% (59,450 sf)
Impervious Cover	95% (86,117 sf)	76% (68,939 sf)
Units	2x base zone limit	170
Parking	None Required	198
Setbacks (F/ S, S/ R)	5' / 10'; 0' / 0'	10' / 10'; 20' / 30'



MFI	Eff.	1 Bdrm	2 Bdrm	3 Bdrm	Total
30%	13	0	0	0	13
50%	13	8	0	0	21
60%	0	43	50	14	107
MR	0	17	0	12	29
TOTAL	26	68	50	26	170

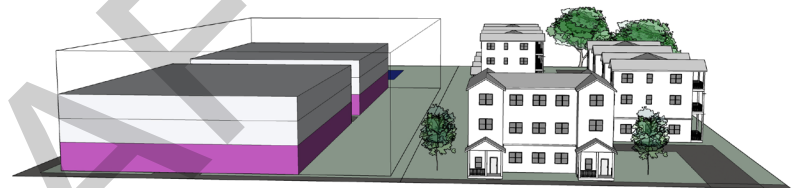
Current Zoning



Specifications	Maximum Entitlements	Example Building
Height	40'	20'
FAR (GFA)	No Limit	0.45:1 (37,320 sf)
Building Cover	55% (46,057 sf)	22% (18,660 sf)
Impervious Cover	60% (50,244 sf)	54% (45,003 sf)
Units	39	39
Parking	68	68
Setbacks (F/ S, S / R)	25' / 15', 5' / 10'	25' / 15', 83' / 194'

MFI	Eff.	1 Bdrm	2 Bdrm	3 Bdrm	Total
30%	0	0	0	0	0
50%	0	0	0	0	0
60%	0	0	0	0	0
MR	5	16	12	6	39
TOTAL	5	16	12	6	39

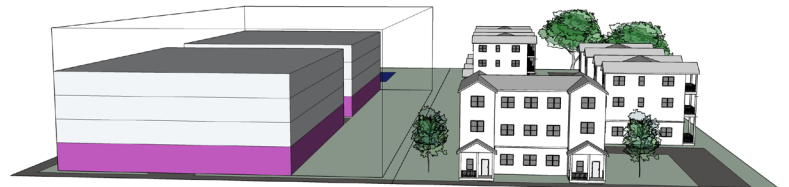
Affordability Unlocked: Type 1



Specifications	Maximum Entitlements	Example Building
Height	50'	32'
FAR (GFA)	No Limit	0.72:1 (60,000 sf)
Building Cover	55% (46,057 sf)	36% (30,000 sf)
Impervious Cover	60% (50,244 sf)	46% (38,182 sf)
Units	1.5x base zone limit	60
Parking	None Required	78
Setbacks (F/ S/ R)	12.5' / 15', 5' / 5'	12.5' / 15', 43' / 185'

MFI	Eff.	1 Bdrm	2 Bdrm	3 Bdrm	Total
30%	0	0	0	0	0
50%	9	3	0	0	12
60%	0	10	8	0	18
MR	3	11	9	7	30
TOTAL	12	24	17	7	60

Affordability Unlocked: Type 2



Specifications	Maximum Entitlements	Example Building
Height	60'	42'
FAR (GFA)	No Limit	1.1:1 (90,000 sf)
Building Cover	55% (46,057 sf)	36% (30,000 sf)
Impervious Cover	60% (50,244 sf)	46% (38,182 sf)
Units	2x base zone limit	76
Parking	None Required	94
Setbacks (F/ S/ R)	12.5' / 15', 5' / 5'	12.5' / 15', 43' / 185'

MFI	Eff.	1 Bdrm	2 Bdrm	3 Bdrm	Total
30%	6	0	0	0	6
50%	2	8	0	0	10
60%	0	12	19	10	41
MR	0	10	0	9	19
TOTAL	8	30	19	19	76

Assumptions for Affordability Unlocked Hypothetical Visual Representations

1. No existing environmental regulations are waived or changed, including impervious cover, tree protection, drainage, and water quality requirements. All scenarios assumed clear, vacant lots with no trees. Projects on sites with environmental constraints (such as trees, creek buffers, water quality zones, or floodplains) must comply with city, state, and federal regulations dealing with these constraints. These factors may impact (reduce) the buildable area on a site.
2. The maximum entitlement envelope shows the maximum buildable area for the example sites under the current code, Type 1, and Type 2 bonuses, and takes into consideration factors including: water quality/drainage, setbacks, and impervious cover limits. This envelope is provided to show the largest structure a site could accommodate, but it is not guaranteed that a site would be able to be built to these specifications. Many factors, including financial feasibility, market demand for different unit types and parking spaces, and design considerations can impact whether a project uses all its buildable area.
3. The example project envelope shows the size of a potential project on each of the example sites. The example projects attempt to maximize the number of dwelling units that may be built on the example sites while complying with zoning regulations (such as impervious cover limit, building coverage limit, floor to area ratio, maximum units per lot, and site area requirements) applicable to the example sites both with and without the use of the bonuses. These example projects did not consider financial feasibility or market demand; they merely show the size of a prototypical project and make assumptions about the bedroom count ratio, average square footage per unit, and amount of parking that might be provided, given similar affordable housing developments in Austin. Affordability levels and the number of multi-bedroom units meet the minimum affordability criteria required to participate in the Affordability Unlocked bonus program. Actual proposed developments will most likely have additional subsidies (funding or tax credits) that will allow or require them to provide more than the minimum number of affordable units.
4. The maximum entitlements' setback information shown in the tables provides the setback amounts required by code. Setbacks shown in the visuals for the example buildings may be larger, reflecting additional site development constraints and building placement decisions.
5. For SF-2 and SF-3 zones, the maximum entitlements height information shown in the tables reflects the height limit per the zoning code. This height can be constrained by McMansion requirements.
6. Each site assumes the project is able to pay a parkland dedication fee, rather than dedicate land on-site.
7. Area for on-site water quality and drainage requirements is provided as a percentage (5-8% depending on the site) of the overall lot size, except for the CS site example, which assumes subterranean infrastructure to meet water quality and drainage needs.

8. Assumed height per residential level was 10 feet. Assumed height of a parking level was 12 feet.
9. All designs for the envelopes and example projects are intended to represent only the most basic information and design criteria and are intended for massing and comparison purposes only. There may be other regulations and code provisions that are not expressly shown. All projects would need to comply with all applicable city, state, and federal regulations.
10. Values used to calculate the maximum buildable area and example building envelopes are shown in the attached spreadsheet.

11. List of Acronyms:

FAR = Floor to Area Ratio

GFA = Gross Floor Area

MFI = Median Family Income for the Austin-Round Rock metropolitan statistical area

Bdrm. = Bedroom

Eff. = Efficiency

MR = Market-Rate

sf = Square Feet

	SF2	SF2 Type 1	SF2 Type 2	SF3	SF3 Type 1	SF3 Type 2	MF2 - Ex's 1&2	MF2 Type 1	MF2 Type 2	CS Ex 1	CS Ex 1 Type 1	CS Ex 1 Type 2	CS Ex 2	CS Ex 2 Type 1	CS Ex 2 Type 2
Lot Specifications															
Lot Size (sf)	11,760			7,000			83,740			68,580			90,650		
Lot Size (ac)	0.27			0.16			1.92			1.57			2.08		
Lot Dimensions	80' x 147'			50' x 140'			530'x158'			540'x127'			370' x 245'		
Zoning Restrictions															
Height	35	43.75	52.5	35	43.75	52.5	40	50	60	60	75	90	60	75	90
Front SB	25	12.5	12.5	25	12.5	12.5	25	12.5	12.5	10	5	5	10	5	5
Side SB (Street)	15	15	15	15	15	15	15	15	15	10	10	10	10	10	10
Side SB	5	5	5	5	5	5	5	5	5	0	0	0	0	0	0
Rear SB	10	5	5	10	5	5	10	5	5	0	0	0	0	0	0
IC (%)	45			45			60			95			95		
BC (%)	40			40			55			95			95		
FAR	0.4	-	-	0.4	-	-	-	-	-	2	-	-	2	-	-
Max Units/Lot	1	6	8	2	6	8	39	61	78	-	99	133	-	128	171
Example Building Assumptions															
% of Site used for Water Quality	0	5	5	0	5	5	8			Subterranean			Subterranean		
% Habitable Space	0	0	90	0	93	93	90	80	80	0	80	80	0	80	80
% Studios	0	0	0	0	0	0	13	20	11	0	15	16	0	15	15
% 1 Bedroom	0	33	50	0	67	50	41	40	39	0	41	40	0	40	40
% 2 Bedroom	0	67	50	0	33	38	31	28	25	0	30	38	0	30	30
% 3 Bedroom	0	0	0	100	0	12	15	12	25	0	14	6	0	15	15
% 4 Bedroom	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Average Sq. Ft./Unit	2450	900	807	1400	853	960	870	800	947	0	868	868	0	936	940
Parking Spaces/Unit	2	1.3	1.5	2	1.3	1.2	1.7	1.3	1.2	0	1.3	1.1	0	1.3	1.1

Affordability Unlocked Visual Representations: Existing Developments

Jeremiah Program Moody Campus

- 35 two-bedroom rental units for single mothers and their children
- Average MFI below 30%



Constraints

- Compatibility: An additional 6 feet (up to 46 feet high) would have allowed for units with taller ceilings, adequate interstitial space, and cost savings of thousands of dollars



- Height stepbacks required by compatibility also reduced unit yield (see stepbacks in image at left)

Aria Grand

- 70-unit rental development at I-35 & Woodland Ave
- 60 affordable units, 30% - 60% MFI, with up to 3 bedrooms
- 7 Permanent Supportive Housing units; 9 accessible units



Constraints

- Compatibility: lost 10 units
- Parking: lost 20 units
- Zoning: site area requirements necessitated a zoning change to MF-6

The Works at Pleasant Valley

- Serves homeless youth & single mothers exiting foster care
- 45 units, up to 50% MFI, single & multi-bedroom
- 20 Permanent Supportive Housing units

Constraints

- Compatibility: lost 25 units
- Parking: requirements resulted in 45 unused spaces that could have accommodated more housing, green space, or other uses



Jobe House

- 4 rental units on E. 9th & Lydia Streets
- 2 existing single family homes, up to 80% MFI
- 1 home will be remodeled into a duplex by adding an efficiency up to 30% MFI
- 1 new ADU up to 50% MFI

Constraints

- SF-3 zoning prevented addition of 2 new units, even though there is sufficient space - required a subdivision
- Subdivision process required existing utility lines to be re-routed because they would have crossed the new property lines (prohibited under Plumbing Code)
- This added time and expense to the non-profit housing provider's project



4th & Onion

- Located in Plaza Saltillo TOD
- 57 ownership condo units up to 80% MFI are planned
- 30% of units are planned to have multiple bedrooms
- Granted special waivers by City Council for site area requirements, floor to area ratio, compatibility, and modifications to max height and parking requirements

Constraints

- Small site limited by multiple site development regulations
- Would have only been able to achieve 19 one-bedroom units without special waivers granted by City Council

Bluebonnet Studios

- 107-unit rental development on South Lamar for single adults, 30% - 50% MFI
- 6 Permanent Supportive Housing units

Constraints

- Compatibility: lost 42 units due to height limitations



*** existing, approved and under construction, and pending in process number of restricted units and the associated program.**

Please see attached spreadsheet.

*** amount of revenue/fees waived under the current programs**

S.M.A.R.T. Housing is the City's only affordable housing fee waiver program. See attachment for information on fees waived through S.M.A.R.T. Housing from March 2018 to April 2019.

*** we hear UNO and Hyde Park regulations deliver many income restricted units. How does Affordability Unlocked compare to the requirements in these plans?**

Please see attached spreadsheet for comparison of Affordability Unlocked proposal and UNO.

*** monitoring efforts today (all aspects of current programs)? Will these processes change under this program?**

Monitoring processes are not anticipated to change under Affordability Unlocked. However, with an increase in the number of affordable units that need to be monitored, NHCD will need to increase its monitoring capacity, most likely through a monitoring contract with a third party.

Currently, the process is as follows: if the development is a rental project, the property manager/owner must submit documentation of tenant incomes for the affordable units at initial occupancy and on an ongoing basis based on a monitoring schedule. Monitoring plans are created for each development and monitoring of the affordability requirements must be conducted by NHCD or its agent within one year of the project receiving its Certificate of Occupancy. If there are no issues, audits continue on a rolling basis of at least every three years until the end of the affordability period. If there are issues of non-compliance, NHCD will work with the development to design corrective actions, the development will be subject to an increased frequency of monitoring, and it may incur additional years of affordability.

NHCD has contracted with Blueprint Housing Solutions to conduct on-site inspections of our federally funded units and to monitor the affordability requirements associated with all of our units, both funded and incentivized (including density bonus units). Developments are monitored on a rolling three year basis, with a random sample of units being monitored at each visit.

For ownership housing, the City of Austin executes an initial Restrictive Covenant with the developer and subsequent legal instruments with the end buyer identifying the long-term affordability requirements at loan closing. These instruments ensure that if the buyer chooses to sell the unit in the future, the unit will be sold at an affordable price to another qualified buyer. NHCD also income certifies all potential buyers. When a unit is sold, the City has a Right of First Refusal option. If the City does not exercise this option, the owner must sell the unit to another income-eligible buyer. NHCD does annual desk monitoring of ownership units to ensure that units are still owner-occupied.

Since DSD is now an enterprise department, when (I'm assuming all) fees are waived for these projects, who picks up the tab? is it just spread among others who buy permits?

The draft ordinance does not contain any new fee waivers for qualifying developments. Projects that are S.M.A.R.T. Housing certified would receive fee waivers as allowed by the existing S.M.A.R.T. Housing ordinance, including Development Services fee waivers. The Development Services Department is reimbursed for S.M.A.R.T. Housing fee waivers from the General Fund.

Also, please tell us how these small groups of units are to be monitored. How can the city know if the occupants qualify? if the rents are in line?

Regardless of the size of the development in which they are located, NHCD currently anticipates that affordable units generated by the proposed program would be monitored the same way as other affordable units. However, with an increase in the number of affordable units that need to be monitored, NHCD will need to increase its monitoring capacity, most likely through a monitoring contract with a third party.

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And what does it cost the city to monitor a unit? annually? initial setup?

NHCD has contracted with Blueprint Housing Solutions to monitor affordability requirements at a cost of \$87 per unit. NHCD is considering undertaking a cost of service study that will provide a more comprehensive look at what long-term costs are associated with monitoring affordable units.

Completed and In Progress Affordable Units

Status	<i>City Gap Financing or Private Activity Bonds</i>	<i>S.M.A.R.T. Housing (Un-Subsidized)</i>	<i>Downtown Density Bonus</i>	<i>East Riverside Corridor</i>	<i>North Burnet Gateway</i>	<i>Rainey District Density Bonus</i>	<i>S.M.A.R.T. Greenfield Bonus</i>	<i>Transit Oriented Development Density Bonus</i>	<i>University Neighborhood Overlay Density Bonus</i>	<i>Vertical Mixed Use Density Bonus</i>	<i>Planned Unit Development</i>	<i>Master Development Agreement</i>	<i>Municipal Utility District</i>	<i>Partnerships / Other Agreements</i>	Total
Project Completed	7,025	2,442	0	0	0	16	11	175	750	459	44	273	0	28	4,198
In Progress*	2,070	3,461	22	26	67	9	0	265	594	289	3,021	148	954	33	8,889
Total	9,095	5,903	22	26	67	25	11	440	1,344	748	3,065	421	954	61	13,087

Source: City of Austin's Affordable Housing Inventory, pulled 4/16/2019

*Includes both proposed projects and projects under construction, due to the way project status is captured in Affordable Housing Inventory

S.M.A.R.T Housing Fee Waivers by Project (April 2018 - March 2019)

AHI No	Project Name	Address	Total Units	Total Affordable Units	Total Waiver Amount
62	Retreat at North Bluff	6212 Crow Lane	240	240	-\$1,305.00
117	Gaston Place	1915 Briarcliff Blvd	27	27	-\$2,261.14
122	Lakeside Engineering - Duplexes	Multiple Addresses	8	3	-\$665.53
130	ThinkEast PUD	Multiple Addresses	466	281	-\$2,322.32
144	Scenic Point Phase II	Multiple Addresses	67	67	-\$48,032.24
151	Housing First Oak Springs	3000 Oak Springs Drive	50	50	-\$8,142.12
169	SAMdorosa	6700 Manchaca Road	14	2	-\$931.71
209	Ruth R. Schulze House	915 W 22nd Street	26	8	-\$912.40
251	Colorado Crossing - SF	Multiple Addresses	802	218	-\$2,224.13
263	The Nine at Austin	2518 Leon Street	98	10	-\$1,850.17
264	Goodnight Ranch PUD	Multiple Addresses	3,532	461	-\$2,196,037.99
272	Elysium Grand	3300 Oak Creek Drive	85	72	-\$84,802.26
273	Bridge at Cameron	9201 Cameron Road	263	263	-\$16,270.00
274	Colorado Creek Apartments	2917 Fallwell Lane	240	216	-\$64,293.84
275	The Aviary	Multiple Addresses	32	13	-\$8,146.97
278	Aspen West Campus	1909 Rio Grande Street	464	48	-\$138.22
284	Avon at 22nd	911 W 22nd Street	19	2	-\$3,433.25
286	Austin Habitat for Humanity - SF	6301 Circulo de Amistad	6	6	-\$9,155.12
287	Works at Pleasant Valley - Phase II	835 N Pleasant Valley Road	29	29	-\$9,920.57
288	Villages at Fiskville	10127 Middle Fiskville Road	172	155	-\$2,387.80
292	The Rail at MLK	1800 Alexander Avenue	235	58	-\$88,266.05
300	Clawson Ridge	3700 Clawson Road	39	2	-\$513.00
307	Easton Park PUD	Multiple Addresses	9,500	950	-\$2,175.00
309	Austin Gardens	Hudson St and Harold Court	24	2	-\$134.06
319	Heights on Parmer Phase Two	1500 E Parmer Lane	80	80	-\$10,067.20
331	The Nine at Rio	2100 Rio Grande Street	109	11	-\$7,393.81
332	AHFC - SF	5603 Tura Lane	1	1	-\$1,692.88
335	Guadalupe Saldana Subdivision	Multiple Addresses	95	95	-\$4,330.84
337	Rebekah Baines Johnson Center	21 Waller Street	279	246	-\$1,381.40
339	2200 Nueces Street	2200 Nueces Street	439	44	-\$914.70
345	The Standard at Austin	715 W 23rd Street	911	91	-\$785.25
347	Mueller PUD	Multiple Addresses	3,922	1,232	-\$605,283.44
350	Harris Ridge Apartments	1501 E Howard Lane	324	324	-\$24,185.11
370	Muze Student Living	2350 Guadalupe Street	502	50	-\$1,537.25
377	The Grove at Shoal Creek PUD	45th Street & Bull Creek Road	1,380	144	-\$26,935.23
378	The Creekview Apartment Homes	5001 Crainway Drive	264	264	-\$92,630.97
380	Aria Grand	1800 S IH 35	70	60	-\$87,780.96
383	Travis Flats	5325 Airport Blvd	146	146	-\$186,581.89
384	Pathways at Goodrich Place	2126 Goodrich Avenue	120	110	-\$21,699.92
385	Villas on Nueces	2207 Nueces Street	99	10	-\$4,764.90
386	AVIA @ 26th	1010 W 26th Street	30	4	-\$614.45
411	& David Ciccocioppo (Homeowners) -Alle	1608 Cedar Avenue	1	1	-\$916.68
412	Pathways at Chalmers Court - South	1638 E 2nd Street	87	87	-\$9,903.53
415	Six Ten	620 W 24th Street	67	7	-\$25,587.47
417	GNDC Alley Flats	Multiple Addresses	7	7	-\$4,325.22
419	Fannie Mae Stewart Village	1900 E 22nd Street	8	8	-\$2,498.28
422	Waterloo Terrace	12190 N Mopac Expy	132	132	-\$16,307.41
423	Cambrian East Riverside	1806 Clubview Avenue	65	55	-\$13,524.42
433	Avena	2515 San Gabriel Street	79	8	-\$49.50
591	Legacy Ranch @ Dessau East	Dessau Rd at Fish Lane	232	191	-\$9,329.30
592	2204 San Antonio	2204 San Antonio Street	567	57	-\$5,352.90
594	Hilltop	2408 San Gabriel Street	514	102	-\$5,748.25
602	ion Apartments - West Phase II (Platform	2910 E 17th Street	202	41	-\$12,325.01
606	2107 Alamo	2107 Alamo	5	1	-\$7,588.88

Program	Applicability	Impervious Cover	Height Bonus	FAR	Density	Setbacks	Parking
UNO (post-2014)	UNO district	85-100% depending on subdistrict	+15' (base height ranges from 40' to 220')	no limit	site area requirements waived	--No min. front/street side setbacks (some exceptions apply) --No min. interior side/rear setbacks	--reduced by 40% (for 10% on-site affordable) --reduced by 60% (for 20% on-site affordable)
Affordability Unlocked (proposed)	Residential and commercial zoning districts	base zone limits maintained	1.25 x base height	no limit	1.5 x base limit	Front & rear yard setbacks reduced by 50%	none required
			1.5 x base height	no limit	2 x base limit		

Program	Compatibility	% Affordable	MFI	Affordability Period	Fee-In-Lieu	Other
UNO (post-2014)	waived if property 75'+ from UNO boundary	10% (plus add'l 10% on-site, or pay FIL)	60% MFI (first 10% at 60% MFI; next 10% at 50% MFI, or pay FIL)	Rental: 40 yrs Owner: 99 yrs	--\$1 per net rentable sq. ft. for residential use --\$2 per net rentable sq. ft. for hotel use	must be SMART Housing certified
Affordability Unlocked (proposed)	waived	50%	Rental: 60% MFI (20% at 50% MFI) Owner: 80% MFI	Rental: 40 yrs Owner: 99 yrs	None allowed	--25% of affordable units must be multi-bedroom
		75%	Rental: 60% MFI (20% at 50% MFI) 10% at 30% MFI Owner: 80% MFI			--just cause eviction protection --SOI protection --right to organize