

RESOLUTION NO. 040115-44

WHEREAS, the City of Austin (City) approved and implemented the S.M.A.R.T. (Safe, Mixed-Income, Accessible, Reasonably Priced, Transit-Oriented) Housing Initiative Policy by Resolution No. 000420-76; and

WHEREAS, the City desires to replace Resolution No. 000420-76 with this resolution in order to clarify existing policy and expand opportunities to increase the number of reasonably priced single family houses which meet all other S.M.A.R.T. Housing standards: **NOW, THEREFORE**,

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

- (A) The City hereby establishes the S.M.A.R.T. Housing Initiative Policy (Policy) for housing in the City.
- (B) S.M.A.R.T. Housing means housing that meets the following standards: safe, mixed-income, accessible, reasonably priced, transit-oriented and Green Building Standards at the time of initial occupancy.

(C) For purposes of the Policy, the following definitions shall apply:

1. Safe means compliance with the Land Development Code and all adopted Building Codes of the City.
2. Mixed-Income means that at least 10% of the dwelling units in a proposed housing development meet the reasonably priced standard and all units in such development meet all other S.M.A.R.T. Housing standards.
3. Accessible means in a multi-family development containing four or more dwelling units that at least 25% of the total dwelling units be located on the ground floor and comply with the adaptability requirements of the Fair Housing Act, that at least 10% of the total dwelling units comply with the accessibility requirements of the adopted Building Code of the City, and that 2% of the units be accessible to persons with hearing disabilities.
4. Reasonably Priced means the dwelling units serve an Income-Eligible Family.

5. Transit-Oriented means compliance with the transit-oriented standards listed in the City's S.M.A.R.T. Housing Guide.

6. Green Building means compliance with Level One Standards of Austin Energy's Green Building Program.

7. Dwelling Unit means the same as it is defined in the adopted Building Code of the City.

8. Income-Eligible Family means a family at or below 80% Median Family Income that spends no more than 30% of its gross income (including utilities) on housing. An Income-Eligible Family at or below 80% Median Family Income may spend more than 30% of its gross income on housing provided that the family is required to meet more restrictive federal and/or state income-eligibility standards.

(D) Certain City fees (Fees) may be waived pursuant to this Policy.

1. Those Fees are:

a. Public Works Construction Inspection Fees;

- b. Development Review and Inspection Fees, and
- c. Water and Wastewater Capital Recovery Fees

- i. Capital Recovery Fees may be waived administratively only for existing single-family homes that are reasonably priced and connect to City sewer services in order to comply with on-site sewage facility requirements.
- ii. Capital Recovery Fees for developments in the following categories may only be waived by a vote of the City Council: developments for which an applicant seeks variances in the Drinking Water Protection Zone; developments with full HB 1704 exemptions within the City's full purpose or limited purpose annexation area; and/or developments located in Municipal Utility Districts that are within the City's limited purpose annexation area.

2. These Fees may be waived as follows:

- a. For a housing development involving 4 or fewer dwelling units, all four dwelling units must meet all the S.M.A.R.T. Housing standards. Such a development would be eligible for a waiver of 100% of the Fees.
- b. For a housing development involving 5 or more dwelling units, the development would be eligible for a waiver of the Fees as follows:
 - i. If 10% of the dwelling units meet the reasonably-priced standard and all dwelling units meet all S.M.A.R.T. Housing standards, the development would be eligible for a waiver of 25% of the Fees.
 - ii. If 20% of the dwelling units meet the reasonably-priced standard and all dwelling units meet all S.M.A.R.T. Housing standards, the development would be eligible for a waiver of 50% of the Fees.
 - iii. If 30% of the dwelling units meet the reasonably-priced standard and all dwelling units meet all S.M.A.R.T. Housing standards, the development

would be eligible for a waiver of 75 % of the Fees.

iv. If 40% of the dwelling units meet the reasonably-priced standard and all dwelling units meet all S.M.A.R.T. Housing standards, the development would be eligible for a waiver of 100% of the Fees.

3. a. All reasonably-priced dwelling units in a housing development must remain reasonably-priced for a period of five years from the date of initial occupancy, except that single-family dwelling units receiving no federal assistance must only remain reasonably-priced for a period of one year from the date of initial occupancy.

b. Failure to comply with the reasonably-priced requirement for the appropriate period of time will result in payment to the City of all Fees waived in proportion to the number of years, or portion thereof, of non-compliance.

(E) The Austin Housing Finance Corporation (AHFC) is the lead agency to foster partnerships with neighborhoods and the

home building industry in order to develop, finance, rehabilitate, relocate and operate S.M.A.R.T. Housing in the City. AHFC shall verify that all AHFC financed developments comply with all S.M.A.R.T. Housing standards in this Policy. The contract between City and AHFC shall reflect the responsibilities of AHFC regarding S.M.A.R.T. Housing.

- (F) The City Neighborhood Housing and Community Development Office (NHCD) is the lead agency on housing policy and the single point of contact to facilitate S.M.A.R.T. Housing development. No City department may propose a change to an ordinance, rule, or process that impacts housing affordability unless NHCD has prepared an Affordability Impact Statement for the proposed regulation prior to the initiation of external stakeholder discussion. If the Affordability Impact Statement shows a negative impact on housing affordability, the proposed change may only go forward upon approval by the City Manager. City boards, commissions and subcommittees may only offer recommendations to the City Council on issues affecting housing affordability after NHCD has prepared the Affordability Impact Statement. Affordability Impact Statements are not required for City Council adoption of annexations, budgets, or budget amendments except for those

development fees that impact housing affordability that are not waived by the Land Development Code and pursuant to the S.M.A.R.T. Housing Policy Initiative.

- (G) AHFC has the right of first acceptance of any surplus city property in order to determine if S.M.A.R.T. Housing is a viable option for such property. City-owned land with an adopted Master Plan shall not be considered surplus property.
- (H) The City Manager is directed to prepare and present amendments to the Building Code in order to establish rehabilitation standards that promote both safety and reasonably priced single-family and multi-family housing.
- (I) The S.M.A.R.T. Housing Guide will be modified within 90 days of the date of City Council action on the Rehabilitation Code in order to reflect the changes made by such City Council action.
- (J) NHCD will identify opportunities for improvement during the review, construction and inspection of a S.M.A.R.T. Housing development and will catalogue the required collaboration with other city departments needed to implement suggested improvements.

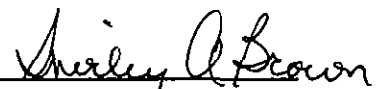
(K) The City Manager or designee is directed to report back to the City Council with respect to incorporating the following elements into this Policy:

1. A plan for granting zoning for developments that meet the technical requirements of this Policy.
2. The possibility of inclusion in the City's legislative strategy of the ability to provide tax exemptions for residential improvements to encourage families who own or lease reasonably-priced housing to remain within the City limits.
3. Time frames for review of S.M.A.R.T. Housing developments.

(L) The City Manager or designee is directed to bring back to council an ordinance that would implement the administrative waiver of all fees to be waived under Section (D) of this resolution.

ADOPTED: January 15, 2004

ATTEST:


Shirley A. Brown
City Clerk