RCA
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION

AGENDA ITEM NO.: 19
AGENDA DATE: Thu 04/28/2005

SUBJECT: Approve a resolution to establish goals for affordable housing in Transit Oriented Development (TOD) districts and Station Area Plans.

AMOUNT & SOURCE OF FUNDING: N/A

FISCAL NOTE: N/A

REQUESTING DEPARTMENT: Neighborhood Planning and Zoning

DIRECTOR'S AUTHORIZATION: Alice Glasco

FOR MORE INFORMATION CONTACT: George Adams, 974-2146; Sylvia Arzola, 974-6448

PRIOR COUNCIL ACTION: 7/29/04 - the City Council approved a resolution directing the City Manager to develop regulations regarding Transit-Oriented Development.

BOARD AND COMMISSION ACTION: N/A

PURCHASING: N/A

MBE / WBE: N/A

This resolution establishes targets for the percentage of reasonably-priced units in TOD districts, as well identifying goals for levels of median family income to be served in rental or homeownership developments. The planning process for Station Area Plans (SAP) will provide opportunities to create appropriate housing goals for each station area. Housing targets in SAPs may be met with a combination of federal and non-federal funding sources that may be available on an annual basis.

RESOLUTION NO. 05

WHEREAS, the Council adopted Resolution No. 040729-76 directing the City Manager to begin the process of developing regulations regarding transit-oriented development (TOD); and

WHEREAS, the Council approved and implemented the S.M.A.R.T. Housing Policy Initiative by Resolution No. 000420-76 and revised this policy by Resolution No. 040115-44; and

WHEREAS, transit-oriented development should provide opportunities for housing development that serves a mix of income levels; and

WHEREAS, station area plans will establish specific goals for affordable housing; **NOW THEREFORE,**

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

(A) The goal of transit-oriented development should be that 25% of the new housing in each TOD area is affordable to low- and moderate-income families. Housing providing home ownership opportunities for families at or below 80% Median Family Income ("MFI") and rental housing serving families at or below 60% MFI shall be considered affordable. Families occupying affordable units should spend no more than 30% of total household income on housing. Each station area plan should include a feasibility analysis of potential strategies and policies to achieve affordability periods of 10 years for home ownership units and 30 years for rental units. Affordable units should generally be evenly

dispersed throughout each transit-oriented development district.

(B) The housing goals for each Station Area Plan may be modified during the Station Area Planning Process to establish affordability percentages and MFI levels appropriate to each Station Area.

(C) Each Station Area Plan shall include a housing affordability analysis and potential strategies for achieving housing goals prior to review of the proposed plan by any commission or the City Council. This analysis will include a feasibility review of the pursuit of additional affordability goals in the TODs such that Austin households of all different income levels would have the opportunity to live within Austin's TOD districts. For homeownership units those goals include 10% of units at 70-80% of MFI, 10% of units at 60-70% of MFI and 5% of units at less than 60% of MFI. For rental units those goals include 10% of units at 30-40% of MFI and 5% of units at less than 30% of MFI.

(D) The Community Development Officer will pursue policies, programs or funding sources that may be available to achieve or exceed housing affordability goals within the area of each Station Area Plan. Subject to available funding and developer participation, these tools may include but are not limited to:

- Tax credits for single or multi-family development.
- Special needs housing grants.
- Down payment assistance.
- Mortgage credit certificates.

- Density bonuses.
- Rental Housing Development Assistance.
- Bond financing.
- Federal or non-federal funding sources.
- Partnerships with non-profit organizations.
- Tax increment financing districts.
- Community land trusts.
- Parking benefits.
- Infrastructure cost sharing.

ADOPTED: _____, 2005 **ATTEST:_____**
Shirley A. Brown
City Clerk

L\CLW\GC\GLA\Council 2005\4-7-2005\TOD BJL revised 3-21-05