

**DRAFT Land Development Code Policy Talk**  
**Austin City Council, Austin Habitat for Humanity 2/23/15**

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*Please let me know if Austin Habitat for Humanity can ever assist you or your staff with policy issues surrounding the land development code, affordable housing or construction/development issues in general.*

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***How does the complexity of the current land development code and review process affect the cost of development?***

The complexity of the Land Development Code impacts the developer & the City of Austin – but ultimately it impacts housing residents and our businesses and local economy. The variables inherent in assessing any Land Development Code must include:

- Efficiency (Time)
- Cost Effectiveness (Money)
- Predictability (Known Result = Bottom Line)

The more we can come together and determine development regulations “by right,” the greater chance we have at improving commercial and residential affordability.

- Regulatory Barriers aren’t all bad --- We want to discourage unwanted development & encourage the types of development that is best for the community.
- Austin Habitat is moving toward denser homeownership models within the City of Austin, which is one way to reach affordability by design.

**1. Some current regulatory barriers that add costs:**

- Site Area Requirements (SAR) requirements
  - If we were to reduce site area requirements--we would be able to build more homes, on the same amount of land, thus reducing our land cost per unit
- Compatibility requirements & Parking requirements
  - Especially as Austin Habitat starts to develop affordable Live-Work development within the Saltillo TOD
- Neighborhood Plans have a lack of consistency and so many overlays
  - For example some neighborhoods do not allow micro-units or Accessory Dwelling Units
- No Master Regional Detention Plan currently in place that is cost-effective
- Homeownership opportunities for our City’s working class (“the missing middle”) will continue to plague our community, if the land development code does not address affordable homeownership at a range of pricing to serve working, middle-class families.

## **2. Current Land Development Code: Varying Interpretations & Conflicting Provisions**

- Areas of the current Code are subject to varying interpretations and sometimes code provisions conflict; and the timeliness of the process of project review, approvals, and inspections takes the certainty out of the process.
  - There is little consistency in review process. We often will correct one set of comments & resubmit, and then get an entirely different set of issues to be addressed in a resubmission;
  - Some reviewing departments are bottlenecked and this creates time delays, which cost money; and most importantly ---
  - “Cost” impacts not only developers, but for example Austin Habitat has homeowners waiting to move, they are often on month-to-month leases and this creates an incredible burden on these families.
  
- Definition of Height is not consistent with national “best practice” development regulations
  - This impacts both the affordable housing builders as well as the developers of market rate units
  - The redefining of “height” indicates a greater problem with the Land Development Code and the framework to administer it

## **3. Need a Comprehensive Affordable Housing Land Development Code Framework**

- a. The City has no consistent affordable housing policy that works to achieve our community affordable housing goals or address the housing gaps. We need a consistent, reliable policy that gets results --- for all types of homes, for all types of people in all parts of town.
- b. Currently, we have a mish-mash of affordable housing ordinances, that are all slightly different – VMU, TOD, PUDs, SMART Housing, and then all of the private agreements between developers and neighborhoods and/or non-profits which provide absolutely no certainty.
- c. SMART Housing must be re-examined to adjust the benefits provided to the developer, in order to make participation in SMART Housing attractive & beneficial
  1. The current fee waivers are not enough to encourage private developers to build affordable units; AND
  2. SMART Housing no longer affords “expedited process and review times”
  3. The overall “gives” & “gets” of SMART Housing can work with market force to fill certain gaps in the housing continuum, “the missing middle” and affordable homeownership opportunities.