

University Neighborhood Overlay (UNO)

Stakeholder Feedback Presentation
Planning Commission
October 26th, 2010



Today's Objective

1. Provide history and brief overview of University Neighborhood Overlay and highlight results
2. Review most recent Policy Direction
 - Resolution No. 20091210-044 directs staff to seek recommendations from commissions re: UNO in lieu fee and code amendments
3. Present stakeholder feedback as directed in resolution
 - Stakeholder Meetings
 - Sept. 22nd, 2010: 1:30pm – 3:30pm
 - Sept. 28th, 2010: 5:00pm – 7:00pm
4. Seek board/commission recommendations:
 - Community Development Commission: 10/12/10
 - Planning Commission: 10/26/10

UNO Overview

- Passed by Mayor and Council on September 2nd, 2004. Took effect September 13th, 2004.
- The purpose of the UNO district is to:
 - Promote high density redevelopment west of UT
 - Help create density while retaining livability and walkability
 - Protect character of surrounding single-family residential neighborhoods
- The UNO district has four sub-districts (see map)
- Minimum lot area: 2,500 sq. ft.
- Height: Pre-defined maximum height districts (see map)

Affordability Requirements

- If a development opts into the UNO district, it must provide for at least 15 years:
 - 10% of dwelling units onsite at 80% MFI or less
 - An additional 10% at 65% MFI or less with fee-in-lieu option
 - If the development is within the Outer West Campus Sub-district, it can exceed the max height by 15 feet in exchange for 10% units at 80% MFI **and** 10% of units at 50% MFI or less

Fee-In-Lieu

- Instead of providing the additional 10% of units at 65% MFI or less, a person may pay a fee of \$0.50 for each square foot of net rental floor area in the multi-family residential use development.
- All fees go into the University Neighborhood District Housing Trust Fund.
- Trust fund is allocated for housing development **within the UNO district** that provides at least 10% of units at 50% MFI or less for **20** years.
- UNO has generated a little over \$1 million available for affordable housing
- Balance of the UNO Trust Fund as of September 2010: \$277,000

Other Density Bonuses with Fee-in-Lieu

Downtown Density Bonus

- \$10.00/bonus sq. ft., with provision for annual adjustment
- Unlimited height and FAR, fee waivers, expedited review
- 10% at 120% MFI owner or 80% MFI rental

Planned Unit Development

- \$6.00/bonus sq. ft. or land donation, with provision for annual adjustment
- Increased height, FAR, building coverage
- 10% at 60% MFI rental or 5% at 80% MFI owner

North Burnet Gateway Regulating Plan

- \$6.00/bonus sq. ft, with provision for annual adjustment
- Increased height, FAR
- 10% of bonus area at 80% MFI owner or 60% MFI rental

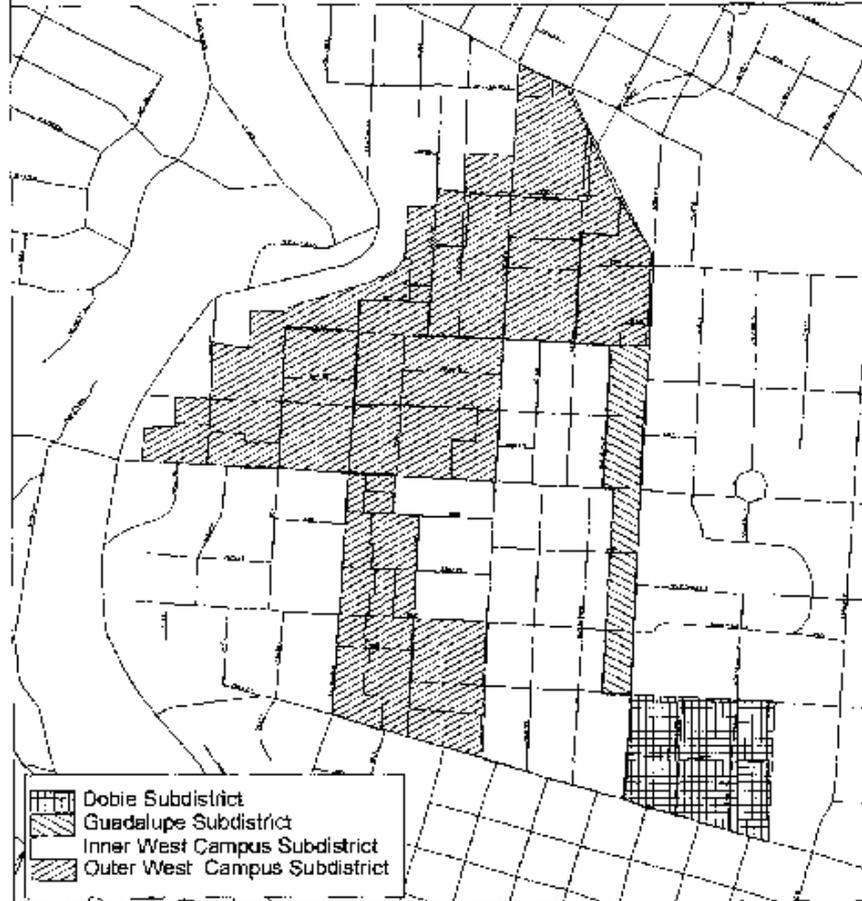
Transit Oriented Development

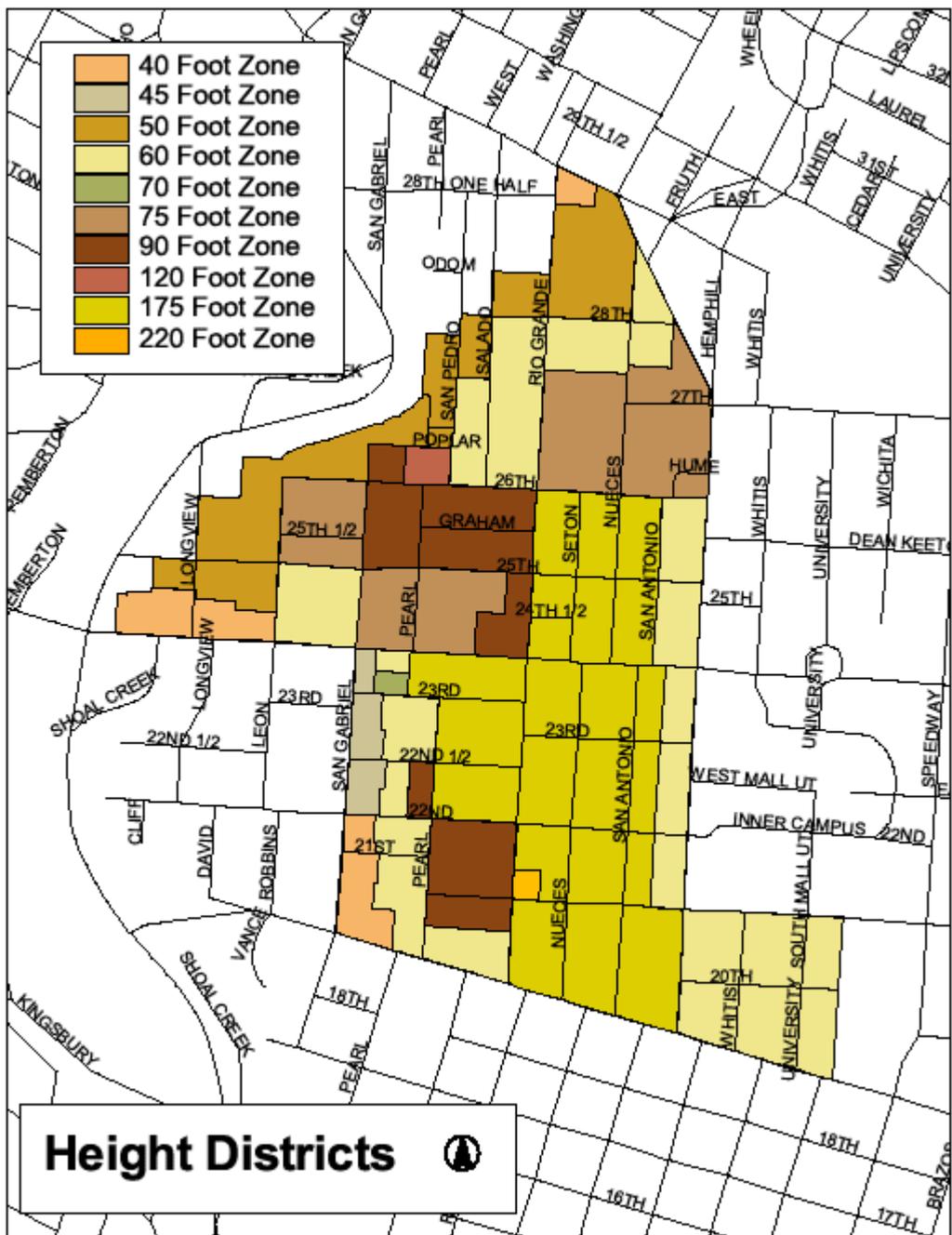
- \$10.00/bonus sq. ft., with provision for annual adjustment
- Increased density limits, FAR, compatibility, height
- 10% - 15% at 80% MFI owner or 60% MFI rental

How UNO Compares

- Two tiers of affordability: one level of affordability is always mandated, the second allows for the fee-in-lieu
- Current fee-in-lieu is lower than others
- Does not include a provision for annual adjustments based on current market conditions
- Fee-in-lieu is for net rentable square footage. Other models, the fee-in-lieu applies to the bonus square footage.
- Only density bonus model in Austin to have generated funds from fee-in-lieu

University Neighborhood Overlay Subdistrict Boundaries

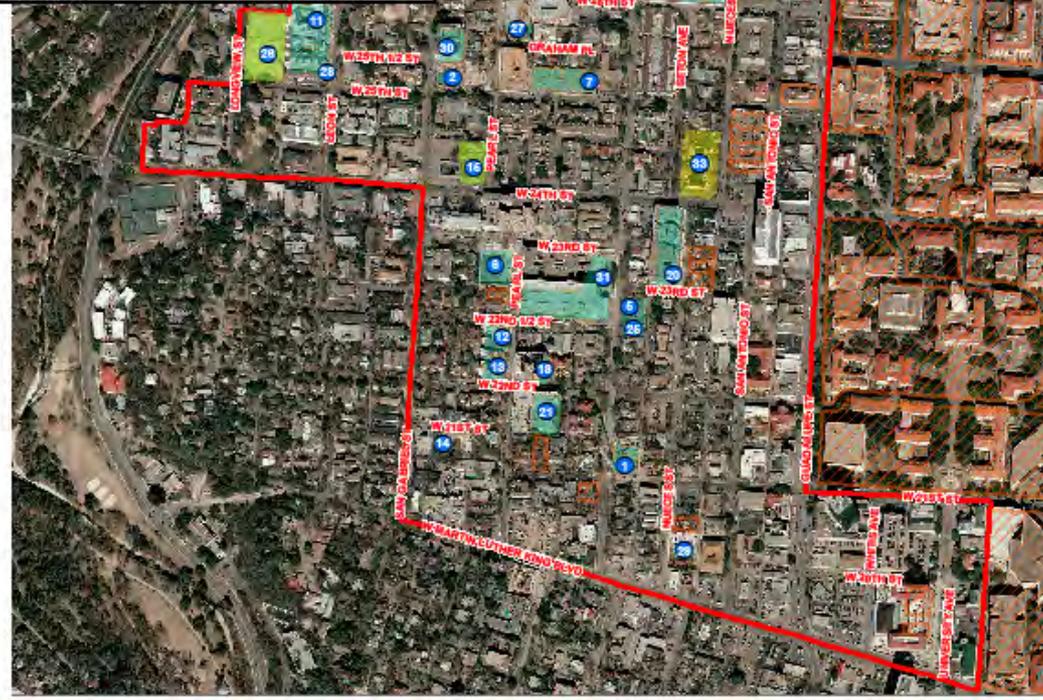




Height Districts



UNO Project Name	Units	Status
1 21 RIO DEVELOPMENT LTD	128	COMPLETED
2 GALILEO	47	COMPLETED
3 ALPHA EPSILON PHI	5	COMPLETED
4 AVERA RESIDENTIAL	86	COMPLETED
5 BANDERA HOUSE	124	COMPLETED
6 BLOCK ON 23RD	90	COMPLETED
7 BLOCK ON 25TH	177	COMPLETED
8 BLOCK ON 26TH	114	PENDING
9 BLOCK ON RIO GRANDE	97	COMPLETED
10 CORNERSTONE 25TH & RIO GRANDE CWS	100	COMPLETED
11 CWS BLOCK LEON	138	COMPLETED
12 CWS BLOCK PEARL NORTH	49	COMPLETED
13 CWS BLOCK PEARL SOUTH	49	COMPLETED
14 EMBROIDAI HOMES	140	COMPLETED
15 HOUSE OF TUTORS	62	PENDING
16 JEFFERSON AT WEST CAMPUS	364	COMPLETED
17 QUARTERS AT CAMERON	84	COMPLETED
18 QUARTERS AT GRAYSON HOUSE	100	COMPLETED
19 QUARTERS AT MONTGOMERY	58	COMPLETED
20 QUARTERS AT NUECES HOUSE	232	COMPLETED
21 QUARTERS AT STERLING	100	COMPLETED
22 RIO GRANDE PLATS	17	COMPLETED
23 SALADO ST APTS - THE TEXAN WEST CAMP	82	COMPLETED
24 SAN PEDRO PLATS	17	PENDING
25 SIMMONS, VEDDER & CO	80	COMPLETED
26 LONGVIEW STREET PARTNERS	158	PENDING
27 TEXAN PEARL	81	COMPLETED
28 TEXAN SHOAL CREEK	79	COMPLETED
29 THE COLLEGE HOUSES, INC	176	COMPLETED
30 THE TEXAN TOWER	74	COMPLETED
31 UNIVERSITY GARDEN APARTMENTS	12	COMPLETED
32 WEST CAMPUS STUDENT HOUSING	76	COMPLETED
33 2400 NUECES ST.	308	PENDING



S.M.A.R.T. Housing Projects in the University Neighborhood Overlay, 2004-2010

-  UNO District
-  University of Texas
-  Completed Developments
-  Pending



This map has been produced by the Austin Housing Finance Corporation for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness. Updated September 2010.

0 425 850 1,700 Feet

UNO Projects

21 Rio



Nueces House



Greystar Community dev.



CWS UNO development



Policy Direction

Council Resolution 20091210-044: Dec. 2009

- *The City Manager is directed to work with stakeholders to make recommendations on a potential revision to the calculation of the in-lieu fee for affordable housing in the University Neighborhood Overlay and initiate the necessary code amendments. This potential revision should include a provision to set the in-lieu fee by ordinance with an annual adjustment to reflect current market conditions in a manner and format similar to the in-lieu fees for affordable housing incentives in CBD, DMU, PUD, and NBG zoning districts.*
- *The City Council requests both the Planning Commission and the Community Development Commission to consider and make recommendations on the proposed code changes and potential fee adjustments.*

Stakeholder Input

- *Stakeholders were asked to provided input on:*
 - *A potential revision to the calculation of the in-lieu fee for affordable housing in the University Neighborhood Overlay*
 - *Setting the in-lieu fee by ordinance with an annual adjustment to reflect current market conditions in a manner and format similar to the in-lieu fees for affordable housing incentives in CBD, DMU, PUD, and NBG zoning districts.*

Stakeholder Participation

- Total of 10 participants
 - Sept. 22nd – 7 participants
 - Sept. 28th – 5 participants

*2 participants attended both meetings
- Professional representation included: Developers, property owners, landlords, students
- University Neighborhood Association, College Houses, ICC Co-ops, UT Student Body President, The Quarters, House of Tutors, SimmonsVedder

Stakeholder Feedback: UNO is unique

Unique attributes of UNO justifies the existing and lower fee-in-lieu

- UNO fee-in-lieu is for **net** rentable square feet of the entire development. All the other fee-in-lieus are for only the **bonus** square footage.
 - Although the fee-in-lieu is lower than others, the total generated the Housing Trust Fund is comparable to what other fee-in-lieus could potentially generate.
- Primarily provides student housing.
- UNO has generated additional benefits outside of those specified in the original ordinance. (Example, increased affordable housing stock for students).

Stakeholder Feedback: Affordability Impacts

- Reduce parking requirements in UNO, let the market provide for the necessary parking
- Parkland dedication fee should be exempted in UNO, student fees are already being paid for amenities in the UNO area
- Ordinance language should be changed from units to beds to increase the number of individuals that can be served, because other amenities are being provided by student fees
- Timing of fees should be adjusted (i.e. the parkland dedication should be required at issuance of certificate of occupancy, not at beginning of application process)
- The city should be matching the infrastructure investment in the UNO district by matching fees collected, or with a TIF

Stakeholder Feedback: Fee-in-lieu

- Overall consensus that fee-in-lieu should not be increased. Key supporting statements:
 1. New code amendments and development regulations like parkland dedications and the Heritage Tree Ordinance have increased development fees in the UNO district.
 2. UNO development has contributed to increasing the tax base in the area. The increased revenue should be directed back to the UNO community.
 3. The current fee-in-lieu is working.
 4. General support for increasing fees incrementally but not immediately (i.e. \$0.10 in 3 years)
 - If fees are increased incrementally, then there should not be a provision for annual adjustment. It should only be one or the other.
- Adding a provision for an annual adjustment to the fee-in-lieu is acceptable, as long as it is tied to the Consumer Price Index (CPI).
- Increasing affordability period required in the UNO district, rather than increasing the fee-in-lieu could also increase overall affordable housing stock in UNO (Not a consensus statement).

Next Steps

- Resolution seeks:
 - Stakeholder Feedback
 - Recommendation from CDC, Planning Commission
- Recommendation to Council by end of October from both boards