

ORDINANCE AMENDMENT REVIEW SHEET

Amendment: C20-2014-001 Micro Units

Description: Consider an ordinance amending City Code Title 25 related to the development of multifamily units.

Proposed Language: See attached draft ordinance and background information.

Summary of proposed code changes for micro units

- Defined as a multifamily dwelling that is located in TODs, Core Transit Corridors, and Future Core Transit Corridors; in any zoning district where Multifamily use is allowed, is 500 square feet or less, and complies with certain affordability requirements.
- If micro units meet an on-site affordability requirement of 10% of micro units at 80% MFI (99 years for owner-occupied) or 50% MFI (40 years for a rental), the site area is zero and the parking is 0.25 spaces per unit for all micro units (the parking and site area requirements for other types of units remains unchanged).
- In a development with micro units that meets the above geographical and affordability requirements, units with three or more bedrooms have no site area requirement (the parking requirement remains unchanged).
- For micro units parking must be leased separately from the dwelling unit.
- No changes to other base district site development standards.

Background: Initiated by City Council Resolution 20140327-040

In March 2014, City Council initiated changes to Austin's LDC to remove any impediments to the construction of micro units – efficiency units that are typically less than 500 square feet in size. Although Austin's current code allows for the construction of these types of units, there are density caps and parking requirements that may inhibit their construction. The proposed changes will allow construction of micro units as well as three bedroom (or more) units at higher densities than are currently allowed, along with a changed parking requirement, so long as the units are located along Core Transit Corridors (CTCs), Future CTCs or within TODs, and on-site affordable units are provided.

Staff Recommendation: Staff recommends the proposed code amendment.

Board and Commission Actions

July 8, 2014: No recommendation by the Community Development Commission on 6-2-1 due to lack of majority of entire voting membership, on Vice Chair Paup's motion, nay were Commissioners Decierdo and Reyes. Commissioner Taylor abstained.

September 16, 2014: Recommendation to deny by the Codes and Ordinances Subcommittee on a 4-0 vote (Commissioner Oliver absent), with the following note:

- The micro unit discussion, although with merit, requires additional study on a comprehensive approach to transportation and residential permit parking program, both of which are more appropriately discussed as a part of CodeNEXT.

September 23, 2014: Recommendation to deny by the Planning Commission on a 6-1-1 vote (Commissioner Hatfield absent), with the same note from the Codes and Ordinances Subcommittee:

- The micro unit discussion, although with merit, requires additional study on a comprehensive approach to transportation and residential permit parking program, both of which are more appropriately discussed as a part of CodeNEXT.

Council Action

August 28, 2014: Postponed to the October 2, 2014 Council meeting.

October 2, 2014: Postponed to the October 16, 2014 Council meeting.

October 16, 2014: Adopted on first reading on a 4-2 vote (Council Members Tovo and Morrison nay) with public hearing to remain open, with the following amendments:

- Change the square footage from 400 to 500 for a micro unit.
- Allow micro units in TODs, Core Transit Corridors, and Future Core Transit Corridors, in any zoning district where Multifamily use is allowed.
- For micro units that meet an on-site affordability requirement of 10% of micro units at 50% MFI (99 years for owner-occupied, 40 years for a rental), change the parking and site area requirement to zero.

November 20, 2014: Adopted on second reading on a 5-2 vote (Council Members Tovo and Morrison nay) with the public hearing closed, with the following amendments:

- Change the on-site affordability requirement for owner-occupied units to 10% of micro units at 80% MFI (for a 99 year period).
- Parking must be leased separately for micro units.
- In a development that meets the geographical and affordability requirements being proposed, units with three or more bedrooms have no site area requirement (the parking requirement remains unchanged).
- The parking requirement for micro units will be 0.25 spaces per unit.
- Ground floor retail must be provided if otherwise required.
- Parking at micro unit buildings should be monitored for parking issues.

Ordinance Number: NA

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