

## ORDINANCE AMENDMENT REVIEW SHEET

**Amendment:** C20-2015-017 MF-6 Density Bonus

**Description:** Consider amendments to Title 25 of the Land Development Code related to the multifamily residence highest density (MF-6) district zoning regulations.

**Proposed Language:** See attached draft ordinance.

**Summary of proposed code changes:**

- Creates a new density bonus for the MF-6 zoning district that incentivizes on-site affordable housing.
- In return for on-site affordable housing, the density bonus provides:
  - No site area requirement
  - No FAR limit
  - Reduced parking requirement
  - Up to 30 feet of additional height
- Changes MF-6 base zoning site development standards.
- See attached comparison table (for informational purposes only).

**Background:** Initiated by Council Resolution 20151015-053.

On October 15, 2015, City Council initiated a code amendment directing staff to “*to adjust the requirements of Multifamily Residence Highest Density (MF-6) district zoning to incorporate a density bonus program consistent with the intent of the Vertical Mixed Use (VMU) overlay*” and for “*the provision of on-site affordable housing in exchange for achieving higher site development standards in excess of those established at a designated development baseline.*”

The proposed amendment modifies the base MF-6 site development standards, such that the unlimited site area and floor to area ratio (FAR) are moved into a new bonus provision, in addition to reduced parking (60% of what would normally be required) and 30 feet of additional height. These bonus provisions are available in return for on-site affordable housing (there is no fee-in-lieu option proposed). The new base MF-6 district would have a density and FAR cap, making it closer to the MF-5 district than it is in the current code. As a whole the new MF-6 density bonus closely mimics vertical mixed use (VMU) in its bonus provisions.

**Staff Recommendation:** Recommended, with the additional recommendation that the amendment not apply to the University Neighborhood Overlay area (25-2, Appendix C) and the areas shown on the Downtown Districts Map (25-2-586(B), *Figure 1*), as these areas already have established density bonus programs.

Staff also recommends that the owner-occupied MFI requirement for affordable units to be set at 80% instead of the 60% recommended by the Community Development Commission.

### **Board and Commission Actions**

**March 8, 2016:** Recommended by the Community Development Commission on an 8-1 vote (Commissioners Dailey voting nay; Commissioners Crawford, McHorse, Noyola, Villalobos and Zamora absent) with the following amendments:

- The affordable units should be a “proportional mix” of all units in the development.
- The income eligibility for home ownership should be set at 60% MFI, rather than 80%.

**March 15, 2016:** Forwarded by the Codes and Ordinances Subcommittee with no recommendation on a 3-0 vote (Commissioner Kazi absent).

### **The following issues were topics of interest, but not amendments to the draft ordinance:**

- Possibility of reducing the site area requirement for the new base MF-6 (allowing for an increased unit/acre compared to MF-5, but not unlimited).
- Attaining levels of affordability deeper than 60%.
- A way to require three bedroom units.
- A fee appropriate to charge a developer in return for monitoring affordable units.
- Tiered additional bonus height (i.e. X feet of height for 10% affordable units, X additional feet of height for additional 10% of affordable units).
- Prohibition of Type 3 STRs.
- Expedited Residential Permit Parking for areas adjacent to MF-6 developments.
- A smaller parking reduction than the draft ordinance proposes.

**March 22, 2016:** Postponed at Planning Commission to the April 26, 2016 Planning Commission meeting.

**April 26, 2016:** Forwarded by the Planning Commission to Council without a recommendation on a 12-1 vote with Commissioner Kazi voting against.

*(See the following for details of failed motions)*

Public hearing closed.

There was a motion by Commissioner Trinity White, seconded by Commissioner Angela PineyroDeHoyos to grant staff recommendation with the following amendments for the proposed MF-6 district zoning density provisions: reduce the proposed bonus height increase to 105 feet, owner-occupied units maintained at 60% MFI, rental units maintained at 60% MFI, both owner-occupied and rental units reserved for on-site affordable units for 99 years, reduced parking requirement set at 60%, maintain

proportional mix of all units in the development and add an incentive of waiving permitting fees.

There was a friendly amendment by Commissioner Patricia Seeger to reduce the MF-6 district zoning proposed bonus provision to a height of 90 feet; friendly amendment was not accepted by the maker.

Friendly amendment by Commissioner Karen McGraw for an FAR of 2:1, proposed height of 90 feet and retract waiving of permit fees; the maker accepted the friendly amendment of FAR 2:1.

There was a friendly amendment by Commissioner Jeffrey Thompson for 1:1 FAR, friendly amendment not accepted by maker.

Friendly amendment by Commissioner Karen McGraw to prohibit Type 3 STRs; friendly amendment accepted by the maker.

The motion by Commissioner Trinity White, seconded by Commissioner Angela PineyroDeHoyos along with the accepted friendly amendments by Commissioner Karen McGraw failed (Due to lack of an affirmative vote) on a vote of 6-5-2.

Those voting aye were: Commissioner Karen McGraw, Commissioner Tom Nuckols, Commissioner Angela PineyroDeHoyos, Commissioner Jeffrey Thompson, Commissioner Trinity White, and Commissioner Nuria Zaragoza Those voting nay were: Vice-Chair Faye Kazi, Commissioner James Schissler, Commissioner James Shieh, Commissioner Patricia Seeger, Commissioner Michael Wilson; Chair Stephen Oliver and Commissioner Jose Vela abstained on this item.

There was a motion by Commissioner James Shieh to grant staff recommendation with an amendment of owner-occupied units maintained at 80% MFI, additional height up to 120 feet and prohibit Type 3 STRs. Motion failed for lack of a second.

There was a motion by Commissioner Karen McGraw, seconded by Commissioner Nuria Zaragoza to grant staff recommendation with the following amendments: additional height shall not exceed 90 Ft, 2:1 FAR, owner-occupied units maintained at 60% MFI, rental units maintained at 60% MFI, rental units reserved for on-site affordable units for 99 years and prohibit Type 3 STRs.

Friendly amendment by Commissioner Angela PineyroDeHoyos to increase the height to 120 feet; amendment not accepted by the maker.

The motion by Commissioner Karen McGraw, seconded by Commissioner Nuria Zaragoza failed (Due to lack of an affirmative vote) on a vote of 5-5-3. Those voting aye were: Commissioner Karen McGraw, Commissioner Angela PineyroDeHoyos, Commissioner Patricia Seeger, Commissioner Trinity White, and Commissioner Nuria Zaragoza. Those voting nay were: Vice-Chair Faye Kazi, Commissioner James Schissler, Commissioner James Shieh, Commissioner Jeffrey Thompson, and

Commissioner Michael Wilson; Chair Stephen Oliver, Commissioner Tom Nuckols and Commissioner Jose Vela abstained on this item.

**Motion by Commissioner James Schissler, seconded by Commissioner Patricia Seeger to forward to Council without a recommendation was approved on a vote of 12-1; Vice-Chair Fayez Kazi voted nay.**

**Council Action**

**March 31, 2016:** Postponed to the May 5, 2016 meeting.

**May 5, 2016:** Postponed to the May 19, 2016 meeting.

**May 19, 2016:** A public hearing has been scheduled.

**Ordinance Number:** NA

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