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23 limiting levels of affordability, and limiting the availability of income restricted family-
24 friendly units; and

25 **WHEREAS**, in November 2018, voters approved \$250 million for affordable
26 housing, which may serve more families at deeper levels of affordability if City
27 restrictions on residential development are modified; and

28 **WHEREAS**, the Austin Strategic Housing Blueprint, Austin's Fair Housing Action
29 Plan, the Obama White House Housing Development Toolkit, and multiple other studies
30 and reports have found that some land use restrictions can be a barrier to housing
31 affordability; and

32 **WHEREAS**, maximizing the use of land for affordable housing will allow for more
33 affordable units, deeper levels of affordability, more family-friendly units, and will
34 facilitate affordable housing in higher opportunity areas; and

35 **WHEREAS**, the City Council approves many zoning cases for affordable housing
36 developments; however, some restrictions that may result in additional affordable housing
37 units cannot be waived in a zoning case; and

38 **WHEREAS**, the rezoning process may be costly, time consuming, and may
39 ultimately limit the number of affordable units, level of affordability, and number of
40 family-friendly units in an affordable housing development, and allowing affordable
41 housing to be built by-right without rezoning may benefit the City's affordable housing
42 stock; and

43 **WHEREAS**, the City Council has missed opportunities to allow for the creation of
44 more affordable units; and

45 **WHEREAS**, Saigebrook's Aria Grand is a 9% LIHTC multifamily property in
46 Travis Heights that received \$1.5 million in affordable housing bond subsidies to develop
47 60 affordable units, but could have created 10 more affordable units without compatibility
48 and 20 more affordable units without parking requirements with negligible increases in
49 public subsidies and a decrease in the overall subsidy per unit; and

50 **WHEREAS**, Guadalupe Neighborhood Development Corporation was able to
51 build 6 more units for a total of 22 units at its La Vista de Guadalupe development due to
52 a substantial reduction of compatibility limitations; and

53 **WHEREAS**, Habitat for Humanity's development in the Plaza Saltillo Transit
54 Oriented Development is participating in an affordable housing bonus program that
55 waives parking, allowing it to build 56 affordable units, where they would not have built
56 any otherwise; and

57 **WHEREAS**, the City Council is dedicated to finding creative, innovative solutions
58 to address the City's affordable housing crisis, to create more affordable housing in high
59 opportunity areas, to increase the effectiveness of public dollars, and to meet the goals of
60 the Austin Strategic Housing Blueprint; **NOW, THEREFORE,**

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

62 In order to increase the number of affordable units and to most effectively utilize
63 the 2018 Affordable Housing Bond funds and other public funds and resources, the

Council initiates amendments to City Code Title 25 (*Land Development Code*) to create an affordable housing program on a citywide basis. After adopting the amendments initiated by this resolution, Council directs the Planning Commission to review the results of the program after three years.

To be eligible for this program, a residential development must provide the following:

1. for rental housing, at least 50% of total units at an average of 60% MFI or below and including at least 20% of total units at 50% MFI or below, rounded up to the nearest unit, for at least 40 years;
2. for homeownership housing, at least 50% of owner-occupied units at an average of 80% MFI or below, rounded up to the nearest unit, for at least 99 years;
3. at least three units total, unless the development is 100% affordable;
4. at least 25% of affordable units must have two or more bedrooms, unless the affordable units are permanent supportive housing or senior housing, rounded up to the nearest unit; and
5. provide just cause eviction protections and the right of tenants to organize, as required in existing city/federal affordable housing agreements.

This program would be available for a residential development or redevelopment irrespective of whether the proposed development or redevelopment requires a zoning change or other discretionary action from a City commission or the Council. A property

owner would be allowed to use this program in addition to any other existing affordable housing bonus programs, and apply in all overlays and regulating plans.

This program would be available when an existing multi-family rental residential development is redeveloped or rebuilt only if:

1. the reason for the redevelopment or rebuilding is to replace aging or dilapidated residential facilities; and
2. the property owner agrees to replace the affordable units (market-rate and income restricted) one for one, grant current tenants a right to return to the development after redeveloping or rebuilding, set rents so that current tenants are able to afford to return, and provide relocation benefits that are consistent with Uniform Relocation Act.

BE IT FURTHER RESOLVED:

The Council intends for a residential development that participates in this program to be allowed in any commercial zone, besides industrial zones, without waiving existing rules and requirements related to residential uses near health hazards; and to comply only with the occupancy limits for multi-family zoning districts.

The Council intends for this program to:

1. waive compatibility standards for height and setbacks;
2. increase building height to 1.25 times the current zoning district's height entitlements;
3. waive parking requirements;

4. reduce front yard and rear setbacks by 50%;
5. increase density, by 1.5 times the current zoning district's density limits or allow six units, whichever is greater;
6. waive maximum floor-to-area-ratio;
7. waive the Residential Design and Compatibility Standards, as codified in Chapter 25-2, Subchapter F;
8. require a consolidated review process in lieu of a site plan for a development with 12 or fewer units; and
9. waive common wall, roof, front porch, and other restrictions specific to duplexes in Section 25-2-773.

BE IT FURTHER RESOLVED:

The amendments initiated by this resolution should be designed with the goal of expanding the requirements, through subsequent code amendments, to align with any future changes to other City affordable housing program requirements or approvals that extend the affordability period, require rights of first refusal, or modify other program requirements.

BE IT FURTHER RESOLVED:

A residential development can establish eligibility for this program using documents required to participate in affordable housing programs operated by a local, state, or federal agency. Examples of affordable housing programs include the Low-Income Housing Tax Credit (LIHTC) program, the City's Rental Housing Development

Assistance Program (RHDA), and programs funded through the U.S. Department of Housing and Urban Development. Otherwise, an appropriate Director shall establish eligibility procedures for the program that are similar to the procedures of other City bonus programs.

BE IT FURTHER RESOLVED:

The Council acknowledges that the Planning Commission may recommend modifications to the amendment described in this resolution to best achieve the goals in Imagine Austin.

BE IT FURTHER RESOLVED:

The amendments initiated by this resolution may not include increases in allowable impervious cover.

BE IT FURTHER RESOLVED:

The City Council directs the City Manager to bring back an ordinance for Council consideration no later than May 9, 2019.

ADOPTED: _____, 2019 **ATTEST:** _____
Jannette S. Goodall
City Clerk