

AFFORDABILITY UNLOCKED PROGRAM BRIEFING

Housing and Planning Committee

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Alex Radtke, Senior Planner
City of Austin
Neighborhood Housing and Community Development
512-974-2108
Alex.Radtke@austintexas.gov

Affordability Unlocked Overview

What is Affordability Unlocked (AU)?:

- Development bonus program that offers substantial waivers of development regulations in exchange for high percentages of affordable units
- Enables housing providers to build more units in their developments
- Designed to better leverage public funds.
- Can be paired with gap financing or other density bonuses

Program Timeline:

- May 9, 2019 - unanimously approved by City Council
- November 2019 - AU application portal and AU program documents complete

Program Requirements

Type 1

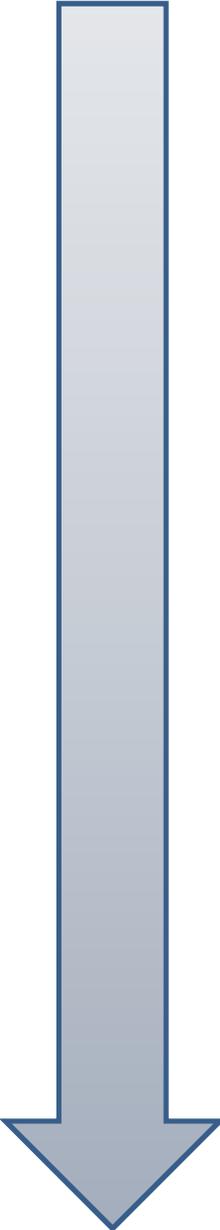
- Rental Units: Average of 60% MFI or below (\$58,560 for 4-person household) for 40 years
 - 20% of all units must serve 50% MFI or below (\$48,800 for a 4-person household)
- Owner Units: Average of 80% MFI or below (\$78,100 for a 4-person household) for 99 years
- Unit Size: 25% of affordable units must have 2+ bedrooms or be used as senior or supportive housing
- Tenant Protections: Provide just cause eviction, tenant right to organize & Source of Income protections, & include RHDA lease addendum

Type 2

* Meets Type 1 requirements and one or more of the following:

- At least 75% of all units must be affordable
- At least 10% of the affordable units are deeply affordable (30% MFI = \$29,300 for a 4-person household)
- At least 50% of affordable units have 2+ bedrooms
- Located within ¼-mile of Imagine Austin Corridor with transit

Program Process

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1. Submit Online Application
 2. Project Meets Requirements – Draft Agreement Issued
 3. Agreement Executed by Owner/Developer and NHCD
 4. Certification Letter Issued
 5. Project Enters Regular Development Process
 6. Building Permit Issued – NHCD places Admin Hold
 7. Prior to release of Certificate of Occupancy, Architect/Engineer letter received and AU Agreement recorded
 8. NHCD Releases Admin Hold
 9. Project Enters Compliance/Monitoring Stage

Project Pipeline

Development Status:

- Building Permits Issued or Under Review
 - 12500 Lamppost Lane – Civiltude
 - 1103 Clermont Avenue – Guadalupe Neighborhood Development Corp.
 - 300 E Croslin Street – JESE Real Estate
 - Site Plan Under Review:
 - The Matador – LDG Development
 - The Henderson – LDG Development
 - Agave East Apartments – Herman & Kittle Properties
- *As of July 2020 Development Incentive project update

Applications Received *As of 9/3/2020	46
Certified	26
Cancelled/No response	5
Certified Type 1	10
Certified Type 2	16
Certified Ownership % (# of units)	31% (8)
Certified Rental % (# of units)	69% (18)
Total # Certified Units (affordable / market)	2,721 (2,337 / 384)

Project Pipeline cont.

District	# of Certified Projects	%
1	5	19%
2	3	12%
3	6	23%
4	5	19%
5	3	12%
6	0	0%
7	2	8%
8	0	0%
9	1	4%
10	1	4%

70% of certified project applications indicated participation in LIHTC or RHDA/OHDA programs for funding.

65% of certified projects are also SMART - certified.

The A on Lamppost became the first certified project to break ground on July 22nd, 2020.

Questions?