



Recommendation for Action

File #: 20-3123, **Agenda Item #:** 16.

10/1/2020

Posting Language

Authorize a fee-in-lieu of on-site affordable housing for a proposed commercial development located at or near 1300 E. 5th Street, 78702, that is subject to Plaza Saltillo Transit Oriented Development Regulating Plan.

Lead Department

Neighborhood Housing and Community Development.

Fiscal Note

This item has no fiscal impact.

For More Information:

Rosie Truelove, Director, Neighborhood Housing and Community Development (512) 974-3064; Gina Copic, Real Estate Development Manager, Neighborhood Housing and Community Development (512) 974-3180.

Additional Backup Information:

If approved, this action will authorize the director of Neighborhood Housing and Community Development (NHCD) to accept a fee-in-lieu of on-site affordable housing for the proposed commercial development located at or near 1300 E 5th Street, Austin TX 78702. The property and development are subject to the Plaza Saltillo Transit Oriented Development Regulating Plan (Regulating Plan).

Under this Regulating Plan, a fee-in-lieu is appropriate if a development demonstrates a compelling reason not to provide affordable housing on-site. The Regulating Plan requires Council approval before NHCD can accept a fee-in-lieu payment.

The proposed development is located in City Council District 3. The proposed development consists of a 121,500 square-foot commercial building, with approximately 109,000 square feet of office space and 12,500 square feet of ground floor and pedestrian-oriented retail space.

The proposed development seeks a density bonus in the form of waivers of Site Development Standards and Building Height Allowance. Specifically, the developer seeks a Floor-to-Area Ratio (FAR) of 3.14:1 (approximately 44,550 square feet). To receive the height and FAR bonus, the Regulating Plan requires on-site affordable housing or, if approved by Council, a fee-in-lieu payment estimated \$534,600 (44,550 additional sq. ft. * \$12/sq. ft.). The City Code sets the current fee at \$12.

Because the proposed development will not include residential, NHCD recommends Council find that the developer demonstrated a compelling reason to pay a fee-in-lieu of on-site affordable housing.

Strategic Outcome(s):

Economic Opportunity and Affordability.