



## Recommendation for Action

**File #:** 22-1884, **Agenda Item #:** 19.

5/19/2022

### **Posting Language**

Authorize a fee-in-lieu of onsite affordable housing for a proposed mixed-use development subject to Plaza Saltillo Transit Oriented Development Regulating Plan and located at or near 1205 E. 4th Street, Austin, Texas 78702.

### **Lead Department**

Housing and Planning Department.

### **Fiscal Note**

This item has no fiscal impact.

### **For More Information:**

Rosie Truelove, Director, Housing and Planning Department (512) 974-3064; James May, Community Development Manager, Housing and Planning Department (512) 974-3192.

### **Additional Backup Information:**

If approved, this action will authorize the director of the Housing and Planning Department (HPD) to accept a fee-in-lieu of on-site affordable housing for the proposed mixed use development located at or near 1205 E. 4<sup>th</sup> Street, Austin TX 78702. The property and development are subject to the Plaza Saltillo Transit Oriented Development Regulating Plan (Regulating Plan).

The proposed development is located in City Council District 3 and in the Live/Work subdistrict that requires a minimum of residential density of 17 dwelling units per acre. According to the applicant's letter, the project is located on a 0.903-acre property and is proposing 103,656 square feet of development area, with 11,641 square feet of the development area reserved for the required dwelling units. The applicant has designed the project to comply with the minimum required residential density, which equates to 15 dwelling units. The proposed development seeks a density bonus in the form of waivers of Site Development Standards and Building Height Allowance. 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.

Under this Regulating Plan, Council must approve a request to pay fee-in-lieu. The Regulating Plan states that a fee-in-lieu is appropriate if a development demonstrates a compelling reason not to provide housing on-site. The City Code sets the current fee-in-lieu amount at \$13.

If approved, the fee-in-lieu would be based on the square footage of bonus area. The Regulating Plan sets the bonus area square footage as the greater of the following: the increase in gross building area above that established by the maximum Floor-to-Area (FAR) ratio as described in Subsection 4.2.8 of the regulating plan; or the number of additional dwelling units above that established in Section 2.3 of the regulating plan multiplied by the average unit square footage of the entire development seeking the development bonus; or the amount of gross building area constructed within a space previously restricted by compatibility standards.

### **Strategic Outcome(s):**

Economic Opportunity and Affordability.