

Austin Transit Communities Coalition (3/24/05)

The following are suggested changes to the proposed City of Austin Transit Oriented Development Ordinance and Resolution.

A. Changes to Section 25-2-767 (B)(7) of the ordinance:

1. Change language to read: "shall include a housing affordability analysis and feasibility review that describes potential strategies for achieving a goal of at least 25% of new housing within each TOD serving families at the following income levels: home ownership opportunities for families at or below 80% Median Family Income ("MFI") and rental housing serving families at or below 50% MFI."

The ordinance currently reads:

(7) Shall include a housing affordability analysis and feasibility review that describes potential strategies for achieving a goal of 25 percent of new housing to serve low and moderate income families, including homeownership opportunities for families at or below 80 percent of median family income and rental housing opportunities for families at or below 60 percent of median family income.

Explanation:

(1) This language clarifies that the 25% goal is an "at least" goal—certainly the city should aim higher and not be restricted by the 25% goal.

(2) This language clarifies that the 25% goal is WITHIN each TOD.

(3) This language clarifies that the 25% affordability goal is for low-income families (as that term is commonly used in government programs). The term "moderate" income is confusing and the way the ordinance is written could be interpreted to mean that 25% of housing has to be affordable but this affordability goal can be met by serving some families at 100%-120% median family income and above, for example. Of course, we certainly want to see families at these income levels served as well by the housing in the TODs, but we need clearer language that the 25% affordability goal is for families below 80% mfi.

(4) This language changes the rental housing affordability goal to 50% mfi from 60% mfi.

2. Add the following language to the ordinance: "For rental units, the 25% affordability goal includes at least 10% of units at 40-50% MFI, 10% of units at 30-40% of MFI and 5% of units at less than 30% of MFI." For homeownership unit, the 25% affordability goal includes at least 10% of units at 70-80% of mfi, 10% of units at 60-70% of mfi and 5% of units at less than 60% of mfi.

Explanation: The current draft of the ordinance leaves out the specific income targeting goals (currently in paragraph C of the resolution). Instead, they are just listed in the resolution. These should be listed in the ordinance to provide clear guidance in the implementation of the affordability goals.

3. Add the following language to the ordinance: "The City Manager is directed to adopt and implement policies and programs to achieve the affordability goals."

Explanation: The current draft of the ordinance leaves out the language that the City Manager be directed in the ordinance to pursue policies and programs to achieve these goals. Beyond conducting an affordability analysis and feasibility analysis, we need to give clear direction to the city manager that the city is to pursue policies and programs to achieve the affordability goals. Otherwise, in terms of what the ordinance requires, all that is required is a study with no actual concrete policies or programs.

B. Changes to the Resolution:

1. Paragraph A: Change language to read: "Each Station Area Plan should include a feasibility analysis of potential strategies and policies to achieve affordability periods of at least 10 years for homeownership units and at least 30 years for rental units." Paragraph A of the resolution lists the 10-year and 30 year affordability periods.

Explanation: The language needs to be modified to make clear that the affordability terms are minimum goals.

2. Paragraph C: The last sentence should be modified to state: "For rental units those goals include 10% of units at 40-50% MFI, 10% of units at 30-40% of MFI and 5% of units at less than 30% of MFI."

Explanation: It appears that the resolution accidentally left out the targeting numbers for the 40-50% mfi units. Otherwise, the percentages do not add up to 25%.

- 3. Paragraph B: Change language to read: "The housing goals for each station area plan may be increased during the station area planning process to reflect the incomes of the surrounding residents and allow surrounding residents to be able to afford housing in the Station Area."**

Explanation: The current language reads: "The housing goals for each station area plan may be modified during the station area planning process to establish affordability percentages and MFI levels appropriate to the Station Area." This language could end up being used in future administrations to dilute the income targeting set forth in the resolution. The housing goals can be modified, but should be modified upwards to INCREASE the level of affordability to reflect the income levels of surrounding neighborhood residents. The affordability targeting should not be LOWERED.

- 4. Paragraph C: Change language to clarify that the City Manager is responsible for pursuing policies to make affordability goals a reality in coordination with multiple city departments.**

Explanation: Achieving the affordability targeting in the TODs will require direction by the City Manager and collaboration and implementation by multiple city departments. Items like a bond initiative, TIF, zoning changes, financing and other tools will need to be developed and implemented by multiple departments.

- 5. Add new Paragraph D: "The goal of transit-oriented development is to achieve green building standards of Level 3 Star for residential and Level 2 Star or LEED for commercial."**

Explanation: TODs will result in significant amounts of new residential and commercial development that should meet community goals for energy efficiency. Green Building, Green Choice, and the use where appropriate of residential and commercial solar systems will benefit TOD residents, building owners, and the City.

- 6. Change existing Paragraph D to Paragraph E.**