



Comments on Citywide Affordable Housing Density Bonus Program

General Comments

- Comment: The proposed Density Bonus Program does not in practice encourage and incentivize the building of additional affordable units within the City. While the goal of the program is to provide additional options to developers/builders to build increased density and provide more affordable units, it does not actually encourage either.
- Comment: The program allows for additional units within the Transect Zones but does not provide for adequate additional space to build those units. This is especially evident in the T3 and T4 zones where there is no bonus presented and no increase to F.A.R. or the building envelope. In the specific case of T4, the City is proposing that developers/builders fit both the allowed and additional units in the same space. Without enough space, developers/builders will be discouraged from taking the density bonus.
- Comment: The Real Estate Council of Austin (RECA) would like to express the concern that the draft was released over two months late and that the short comment period length may have discouraged or limited community input.
- Comment: For commercial sites that do not have a residential component, the City should consider expanding the density bonus options and allow for these types of sites to make use of the Density Bonus Program. In exchange, the City could require additional community benefits, similar to the Community Benefits outlined for the Downtown Density Bonus program in 23-3E-2050.

Chapter 23-3E-1040 (B) Affordable Unit Set Aside Requirements

- Comment: The requirement for 20% of the units to be affordable on “Inner Austin” rental units disincentivizes the density bonus because it does not take into account the various potential barriers and requirements that go into any given site. On smaller sites, which are more frequent in “Inner Austin,” this adds to the existing hurdles that developers/builders already have to go through.

Chapter 23-3E-1050 Alternatives to On-site Production of Density Bonus Units (C) Housing Fee-in Lieu

An applicant may pay a fee in lieu of providing the affordable units in compliance with Section 23-3E-1060 (Fee-in-Lieu).

- Comment: RECA supports Fee-in-Lieu as a viable option for developers/builders to choose.

Chapter 23-3E-1070 Application Procedures (B) Density Bonus Affordable Housing Review

Any applications requesting to meet the density bonus affordability requirements through a Fee-in-Lieu, provision of affordable units off-site, or land dedication in compliance with Section 23-3E-1050 (Alternatives to On-Site Production of Density Bonus Units) must be reviewed by a designated review group, prior to application approval by the Housing Director.

- Comment: RECA is requesting additional information and clarification regarding the “designated review group,” including:
 - How many individuals compose the designated review group?
 - What are the requirements or qualifications to serve on the review group?
 - What are the standards and measures required for the designated review group to review by?
 - Are there any boards or commissions that would review a decision by the designated review group?
 - Could this be an administrative decision?

23-3E-1100 Additional Developer Incentives (B)

Fee waivers can be accessed for a development under the S.M.A.R.T Housing Program in Division 23-3E-4.

- Comment: Will the City be considering any additional incentives or fee waivers outside of the S.M.A.R.T. Housing Program? In addition, will the city consider any additional flexibility regarding the building envelope in exchange for providing the affordable units on-site?

Division 23-3E-4: S.M.A.R.T. Housing

- Will the City consider further review of the S.M.A.R.T. Housing Program? The program has not been updated for several years and in most cases developers/builders cannot achieve the current requirements.
 - Specifically, the “T” which relates to transportation does not take into effect any public transit that is planned for the area. In most cases, CapMetro or CAMPO may be amenable to adding transit improvements once a development is under construction.