



BOARD/COMMISSION RECOMMENDATION

Downtown Commission

Recommendation Number: _____

Recommendations regarding the Downtown Austin Density Bonus Program Extension to the Rainey District

WHEREAS, the Austin City Council adopted a resolution directing city staff to prepare an ordinance extending the Downtown Austin Density Bonus Program to the Rainey District for increases in density above 8:1 FAR, while preserving the current Rainey density bonus program for increases in density up to 8:1 FAR; and

WHEREAS, the Austin City Council adopted a resolution directing city staff to prepare an ordinance providing for an affordability term for the on-site affordable housing units in the Rainey density bonus program, in order to correct an oversight in the prior ordinance; **NOW THEREFORE**

BE IT RESOLVED that the Downtown Commission supports the policies prepared by staff and recommends that the Austin City Council adopt the proposed policies subject to the following:

- 1) Include a provision in the ordinance that prohibits discrimination based on a tenant's source of income including housing voucher assistance, thereby aligning the Rainey density bonus program with the PUD ordinance and the City of Austin's federal legal duties to affirmatively further fair housing.
- 2) Modify the Rainey density bonus program so that the number of on-site units required is based on 5% percentage of the additional square footage versus 5% of the additional units, thereby increasing the opportunity for family-sized affordable units and aligning the Rainey density bonus program with the Downtown Austin Density Bonus Program and the PUD ordinance, which are both based on square footage. Moreover, to encourage the creation of affordable family units, the ordinance should provide that the bedroom-count mix for the affordable units must be proportional to the overall bedroom-count mix in the development. For example, if there are 100 units overall in the development, with 20 three-bedroom units and 80 one-bedroom units, and 10 affordable units overall in the development, then two of the affordable units must be three-bedroom units, and eight must be one-bedroom units.
- 3) Direct staff to develop a system for identifying and adequately monitoring compliance with the City's density bonus programs and to develop a leasing agent or other program to market and connect the City's affordable density bonus units to eligible low-income households.

- 4) Provide in the ordinance that the program is subject to rules created by the Director of the Neighborhood Housing and Community Development governing tenant eligibility and monitoring requirements, and direct staff to develop such rules. The rules should include a bar on occupancy in the affordable units by full-time students who are the head of household unless such person is eligible to file a joint federal income tax return, has dependents living in the household, or is attending a job training program. The program rules should also address mechanisms to ensure that larger units serve households with children.

Date of Approval: _____, 2014

Record of the vote:

Attest: _____

Revised Draft