

Planned Unit Development Density Bonus – Resolution No. 20140925-090

Summary of actions in response to City Council Resolution

Summary of staff activity:

Staff explored current City of Austin density bonus program policies, researched density bonus practices in other communities, surveyed a small sample of the Austin development community, and held facilitated discussions with real estate and affordable housing advocate organizations.

- Conducted survey of development community with experience developing Planned Unit Developments (PUDs);
- Researched fee-in-lieu of affordable housing practices in other cities;
- Briefings to the Community Development Commission Housing Committee;
- Briefing and stakeholder discussion with the Real Estate Council of Austin's Policy Committee;
- Stakeholder discussion with HousingWorks Austin;
- Briefing at the City Council Housing and Community Development Committee (May 2015) (link presentation)
- Public stakeholder meeting to discuss draft proposed code amendments (June 2015). (link meeting summary)
- Public Stakeholder meeting to workshop implementation strategies specific to the proposed requirement that the written request for a fee-in-lieu of onsite affordable housing must demonstrate the infeasibility of complying with the on-site requirement. (link meeting summary)
- Additional meeting to allow stakeholders an opportunity to share feedback on the Planned Unit Development ordinance that may be outside of the scope of the direction given by Council Resolution No. 20140925-090 (link meeting summary)

Council Action:

May 27, 2015:	Briefing given the City Council Housing and Community Development Council Committee
August 26, 2015:	Briefing given the City Council Housing and Community Development Council Committee
October 15, 2015:	City Council approved to set a public hearing for November 19, 2015.

Summary of commission action:

June 30, 2015: Community Development Commission took action with a 9-0-0 vote in support of the staff proposed amendments to the Planned Unit Development Ordinance with the exception of Section 2.5.5 B. The Community Development Commission recommends deletion of this section

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which would eliminate the In Lieu Donation option. The Community Development Commission additionally recommends that:

- Consideration be given to requiring a restrictive covenant through the rule making process
- Consideration be given to requiring a public hearing on baseline zoning for Planned Unit Developments prior to the first presentation to the Austin City Council.

September 15, 2015: Planning Commission Codes and Ordinances subcommittee with amendments recommended the draft ordinance to the full Planning Commission on a vote 4-1 with a recommendation that the code require a two-thirds vote of the City Council to approve a fee-in-lieu request.

September 22, 2015: Planning Commission voted 10-1 in support of staff recommended amendments with the following changes:

- Keep “infeasibility” language
 - Staff presented an alternative option to the original recommendation that the written request for a fee-in-lieu approval must demonstrate the infeasibility of compliance with the on-site affordable housing unit requirement. The alternative option was for a “reasonability test”. However, the draft ordinance presented to the full Planning Commission still included the “infeasibility” language.
- Keep the prevailing level of affordability report
 - Staff has recommended the requirement for this report be removed because it is not currently attached to any language that explains the purpose of the report. The language that the report would help determine if the MFI for rental properties be reduced from 80% MFI to 60% MFI was removed in 2013 when the code was amended to require that the affordable rental units be affordable at 60% MFI.
 - Staff is comfortable with keeping the prevailing level of affordability report if language is added to specify that the report would only be used to inform considerations for a reduction in the maximum allowed percent MFI to a lower percentage. (i.e. lower than 80% MFI for ownership and lower than 60% MFI for rental).
- Require a 2/3 vote for Council action to approve
- Demonstrate the feasibility of investing the fee-in-lieu within the PUD area