

AGENDA



Recommendation for Council Action

Austin City Council

Item ID

68969

Agenda Number

9.

Meeting Date:

3/2/2017

Department:

Development Services

Subject

Approve an ordinance amending City Code Title 4 relating to requirements for expedited development permitting and worker protection standards. Related to Item 8

Amount and Source of Funding

There is no revenue impact for this change.

Fiscal Note

A fiscal note is not required.

**Purchasing
Language:**

**Prior Council
Action:**

August 8, 2013 – City Council approved Resolution No. 20130808-063 directing the City Manager to consider types of projects eligible for expedited building plan review and whether new fees and positions are needed to implement the service.

April 2, 2015 – City Council approved Resolution No. 20150402-014 directing the City Manager to explore options for expanding and modifying the expedited building plan review program to achieve more affordability and other community benefits.

June 16, 2016 – City Council approved Resolution No. 20160616-029 directing the City Manager to draft policy options that include minimum requirements for developers wishing to voluntarily participate in the expedited building plan review program.

September 1, 2016 – City Council approved Resolution No. 20160901-029 directing the City Manager to include worker protection standards in the expedited building plan review program for all commercial projects with no residential component. The resolution further directed the development of program guidelines, including establishing the scope, scale, and type of projects to which the worker protection standards will apply.

February 2, 2017 – City Council approved Resolution No. 20170202-042 initiating amendments to Title 4 (Business Regulation and Permit Requirements) and directing the City Manager to develop a proposed ordinance that achieves (1) recognizing the Development Services Department's authority to establish an expedited building plan review program, and (2) limiting participation in the program to projects certified by a third-party for construction under the "Better Builder Program", or similar program that provides for comparable worker protection standards. The resolution further directed the City Manager to consider including "Project Labor Agreements" as an authorized alternative to the "Better Builder Program".

**For More
Information:**

Rodney Gonzales 512-974-2313; Brent Lloyd 512-974-2974.

Council Committee, Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

As requested by City Council, the proposed ordinance amends Title 4 (Business Regulation and Permit Requirements) to recognize the Development Services Department's (DSD) authority to establish an expedited building plan review program.

For projects with no residential use that are (1) 75,000 square feet or greater in construction or (2) \$7.5 million or greater in construction valuation, participation in the program is limited. Such projects will be required to provide certification by a third-party under the "Better Builder Program", or similar program that provides for comparable worker protection standards.

Residential projects and commercial projects with a residential use can fully participate in the program with no additional requirements. By way of example, commercial projects that include a residential use include the following:

- Duplex (103 Two-Family Buildings)
- MF3-4 (104 Three- and Four-Family Buildings)
- MF5+ (Five or more Family Buildings)
- Mixed Use (106 Mixed Use)
- Single Family (101 Single-Family Houses)

DSD recommends that non-profit organizations with a 501c(3) designation and a local presence be exempted from providing worker protection standards.

For FY 2015-16, there were 1,578 commercial projects with no residential component. This number also excluded churches (see table below).

Low Range	High Range	# of Projects	Average Valuation
No square footage		263	\$2,957,203
1	10,000	946	\$306,278
10,001	15,000	90	\$915,616
15,001	20,000	50	\$1,117,675
20,001	30,000	70	\$1,906,948
30,001	40,000	37	\$2,662,986
40,001	50,000	23	\$3,043,169
50,001	75,000	29	\$5,492,009
75,001	100,000	24	\$3,554,812
Over 100,001		46	\$10,085,321
Total		1,578	

DSD concluded that a threshold for commercial projects (1) exceeding 75,000 square feet of construction or (2) \$7.5 million in construction valuation would be most appropriate for requiring worker protection standards. This threshold will potentially reduce the normal plan review queue workload by approximately 21.4%. The analysis indicates that 52 projects exceeded \$7.5 million in construction valuation for FY2015-16; and, 70 projects exceeded 75,000 square feet.