

#10
MPT

Late Backup

Mayor Pro Tem Tovo's Amendments to Item #10, The Strategic Housing Plan

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Continue to monitor impact of occupancy limits

On March 20, 2014, the City of Austin amended its city code regarding dwelling unit occupancy to reduce the maximum occupancy limits for single family homes in certain zoning districts and for duplexes from six unrelated adults to four. The ordinance has a provision excluding rooming or boarding house-type settings from the limit and only applies to structures built after March 31, 2014. This occupancy change could raise the cost of housing for unrelated roommates since housing costs will be split among fewer occupants; on the other hand, it could also discourage the demolition and replacement of existing housing with newer, costlier alternatives. The City should continue to monitor whether and how occupancy limits have impacted new construction. ~~The limits are most likely to affect the city's student population and co-ops but could also have implications for persons with disabilities who reside together in a group setting that is not a licensed rooming or boarding house. In this case, the city would need to make a reasonable accommodation to the ordinance to avoid fair housing violations.~~ The City should continue to strive to adhere to fair housing laws in order to avoid certain communities experiencing disparate impact. ✓

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✓2 Better Utilize Land for Affordable Housing:

The City should continue to offer density bonuses as well as reduced parking and lot width and setback requirements for developments that include a significant percentage of units that are required to be affordable to very low-, low- or moderate-income households for at minimum 40 years.

3 ~~Revise S.M.A.R.T. Housing Program:~~

✓ ~~The City should revise the S.M.A.R.T. Housing Program to both offer greater incentives to developers, and lengthen the affordability period and to better balance developer benefits with unit construction. This program is producing positive results; however, after almost two decades it needs modification in order to help the City of Austin achieve affordability goals.~~

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4 Implement Density Bonus Program for Missing Middle Housing:

✓ A second type of density bonus program might be more appropriate at the edges of centers and corridors or on collector streets where residents are more sensitive to building height and building size. In this type of bonus program, the "density" could take the form of units (rather than height or bulk), allowing more units within the same size building. This program could effectively provide missing middle affordable units. ~~Relaxation of parking requirements could promote affordability and potentially maintain neighborhood character.~~ Relaxation of parking requirements could reduce the costs or rental rates of units; such decisions should be made with consideration for neighborhood context and the ✓

at 6:56

(u) 6.59 amount of current and projected multimodal transportation options. ✓ Economic modeling has confirmed that such density programs would be financially feasible while also producing affordable housing benefits. Any increase in development capacity will be tied to an affordability requirement. Incentivize and provide additional opportunities for housing units with two bedrooms or more, particularly in high opportunity areas.

5 Allow the Development of Smaller Houses on Smaller Lots: ✓

(c) 7.00 Land values are increasing in Austin, particularly in neighborhoods near Austin's core. This is due to a number of factors, but most notably to more households valuing reduced distances between their work, home, and other destinations, which minimizes time spent in traffic. With increased demand for housing in central locations, land prices are likely to continue to rise. One potential way to enable more people to be able to afford to live in these location-efficient areas is to make it easier to build smaller houses on smaller vacant lots through land development code changes considered during the CodeNEXT process. This would help produce more housing choices that are may be more likely to be affordable than houses built on larger lots. Small lot regulations ~~can~~ could be revised utilizing a context sensitive approach to require a higher level of design and improved compatibility with neighboring properties. Such regulations should take care not to incentivize the demolition of existing housing stock.

To enable more people to be able to afford to live in location-efficient areas, ~~is to~~ make it easier to build smaller houses on smaller lots through land development code changes considered during the CodeNEXT process. This would help produce more housing choices that ~~are~~ could be more likely to be affordable than houses built on larger lots.

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Relax Review Regulations on both Internal and External Accessory Dwelling Units (ADUs):

Accessory dwelling units are a way to increase the supply of smaller housing units while also providing homeowners with a way to increase their income by renting out the unit. Reducing restrictions in more parts of Austin to allow internal ADUs (created by converting interior residential space into a separate unit) and external ADUs (separate structures) to be built may not result in every ADU being rented at an affordable rate, but ADUs do exhibit lower per unit and infrastructure costs and "offer the opportunity to increase the number and variety of housing units throughout the community." HUD notes that ADUs can help increase a community's housing supply, and as they cost less than a new single-family home on its own lot, they can also be a more affordable housing option for some households. On November 19, 2015 City Council relaxed numerous regulations for ADUs in Central Austin; the City should review the impact of and consider extending those relaxations to other areas.

~~should be relaxed for both internal ADUs, which are created by converting interior residential space into a separate unit, and external ADUs, which are separate structures.~~

Regulations should also ensure accessibility and/or visitability.

Comprehensive Parking Reform:

High parking standards increase impervious cover due to parking lots or parking garages, increasing the area on a site that cannot absorb rainfall. By right-sizing parking requirements based on a project's location, walkability, and transit service, the City of Austin can address several important City goals such as lower construction costs, reduced dependence on automobiles, mitigation of flood and erosion, and water quality protection. Requirements that new development include significant off-street parking add to the cost of constructing a unit and limit the number of units possible on a site, indirectly limiting the density of housing and potentially precluding opportunities to develop more affordable housing. The

City should consider ^{whether} ~~where~~ changes to ~~reform~~ its parking policies would ~~to~~ support housing affordability and access by:

- (1) clarifying the definition of frequent transit service to reduce parking requirements in transit areas;
- (2) reducing parking requirements for multifamily housing that are within 1/4 mile of frequent transit service; and
- (3) ~~minimizing~~ reviewing parking requirements for accessory dwelling units and other small-scale housing types in single family areas. Parking reductions for multifamily or mixed-use developments could be tied to the creation of income-restricted affordable housing units.