

**RESOLUTION NO.**

**WHEREAS**, in the last two decades Austin’s housing market has gone from one of the least expensive to one of the most expensive among Texas’s four major metropolitan areas; and

**WHEREAS**, median single family home prices in the City have risen at rates that far outpace increases in family incomes. From 2012 to 2016, housing prices jumped 39 percent while wages increased only 2.5 percent; and

**WHEREAS**, as home prices rise and residents pay more for housing, they often must choose between cutting other essentials from their family budget or selling their property; and

**WHEREAS**, the inventory of homes for sale has declined about 60% from its peak in 2007, according to the National Association of Realtors; and

**WHEREAS**, many current homeowners struggle financially to stay in their homes due to rising property values; and

**WHEREAS**, many Austin families looking for affordable housing have a hard time finding affordable units in the metro area and instead look for creative ways to stay in place; and

**WHEREAS**, “The Impact of Zoning on Housing Affordability” study developed by the National Bureau of Economic Research found evidence that zoning and other land use controls play the dominant role in making housing expensive; and

**WHEREAS**, Imagine Austin’s Comprehensive Plan includes as one of the Housing Building Blocks to “protect neighborhood character by providing

opportunities for existing residents who are struggling with rising housing costs to continue living in their existing neighborhoods;” and

**WHEREAS**, Imagine Austin’s Comprehensive Plan has as one of its priority programs to “revise Austin’s development regulations and processes to promote a compact and connected city;” and

**WHEREAS**, The City’s conventional zoning applies standards and design requirements generally in a “one-size-fits-all” manner throughout the entire community; and

**WHEREAS**, Resolution 20151210-030, a 9-part resolution regarding Fair Housing Choices, directed the City Manager to provide recommendations during the CodeNEXT process in order to maximize fair housing choices by helping neighbors stay in place as property values rise; and

**WHEREAS**, Accessory Dwelling Units (ADUs) are an example of a tool that may achieve the City’s affordable housing goals and has the potential of being a tool that helps families make living in Austin more affordable as it grows; and

**WHEREAS**, Resolution 20140612-062 states that “ADUs can help homeowners make ends meet while providing affordable, central-city rental opportunities for single young people, seniors, and multi-generational families by providing a mix of housing that responds to changing family needs and smaller households;” and

**WHEREAS**, another barrier for homeowners who want to stay in place is the cost of fees associated with Development Services Department (DSD) costs to enforce Land Development Code regulations and other building and environmental regulations for any home upgrade or expansion due to growing family need; and

**WHEREAS**, with the DSD becoming an enterprise fund, even small projects like a family trying to remodel a home are required to pay rising development services fees to fund the department. This creates a barrier for homeowners trying to improve their homes, and many have chosen to simply move out of Austin to accommodate growing families; and

**WHEREAS**, the City has started to move forward on several recommendations identified in the Zucker Report, including changing the DSD culture to embrace “a recognition that real projects may need creative interpretations and staff should be able to use whatever discretion the Code suggests or allows;” and

**WHEREAS**, the Zucker Report identifies “Express Review” as a service offered by Residential Review staff allowing qualifying small projects to be reviewed and permitted in a single day, but also identifies an overly complicated process and unacceptable wait time as challenges to the program; **NOW, THEREFORE,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

The Council directs the City Manager to establish a Family Homestead Initiative, which will identify the following: (1) all Land Development Code and Criteria Manual requirements that are related to expanding or remodeling a residential structure with three or fewer dwelling units or constructing a secondary dwelling unit; and (2) all fees associated with expanding or remodeling a residential structure with three or fewer dwelling units or constructing a secondary dwelling unit. This should include a list of the most common permits applied for by homeowners, how many of each permit is received annually by the City, and fees associated with those permit requests.

**BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

As part of the Family Homestead Initiative, the Council directs the City Manager to create a proposal to: (1) streamline or scale systems for smaller residential projects, including a potential separate track or team focusing on Family Homestead Initiatives; (2) create written guidance for the requirements and fees related to expanding or remodeling a single-family structure or constructing a secondary dwelling unit; (3) explore options to address the permitting determinations that are made in error related to expanding or remodeling single-family structures or constructing secondary dwelling units; (4) and explore options where the written guidance controls in the event of a conflict in the permitting process.

**BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

The Council directs the City Manager to present a preliminary proposal at a Council work session before February 2, 2018. The presentation should include information about next steps and actions that could be included in the CodeNEXT approval process.

**ADOPTED:** \_\_\_\_\_, 2017

**ATTEST:** \_\_\_\_\_

Jannette S. Goodall  
City Clerk