



AFFORDABLE HOUSING IN THE DRAFT SOUTH CENTRAL WATERFRONT REGULATING PLAN

City of Austin
South Central Waterfront Advisory Board
June 18, 2018



Neighborhood Housing and Community Development



PRESENTATION OVERVIEW

Overview of density bonuses

Options for providing the affordable housing community benefit

Process for administration and monitoring

Achieving affordable housing goals in the plan

AFFORDABLE HOUSING IN SCW REGULATING PLAN

Density bonus framework applied through overlay

Density bonuses are voluntary, market-based tools – taking the bonus and providing the community benefit must be the most attractive option to attract participation

- One of our few tools for getting market-rate developers to participate in affordable housing

Updates to Vision Plan modeling will inform the requirements of the affordable housing section related to percentages of affordable units required, fees-in-lieu, and fees for non-residential bonuses

HOW TO COMPLY WITH THE AFFORDABLE HOUSING SECTION

For residential and mixed-use projects

- On-site affordable housing
 - Rental units: 80% median family income (MFI), affordable for 40 years
 - Ownership units: 120% MFI, affordable for 99 years
 - Percentage of units required determined by modeling
- Fee in lieu of on-site affordable units
- Off-site affordable housing
- Land donations

For non-residential projects

- Fee for bonus area granted

ADMINISTRATION AND MONITORING

Securing the affordable community benefit

- NHCD determines required number of units and/or fee amount
- Restrictive covenant executed to secure affordability
- Units or fee must be provided before Certificate of Occupancy

Monitoring affordable units

- Property enters into monitoring plan with NHCD
- Monitoring occurs on rolling 3-year basis throughout affordability period
- Compliance issues result in increased monitoring visits and various remedies depending on the nature of the issue

Monitoring procedures currently explained in program guidelines; NHCD anticipates creating program rules for monitoring following CodeNEXT

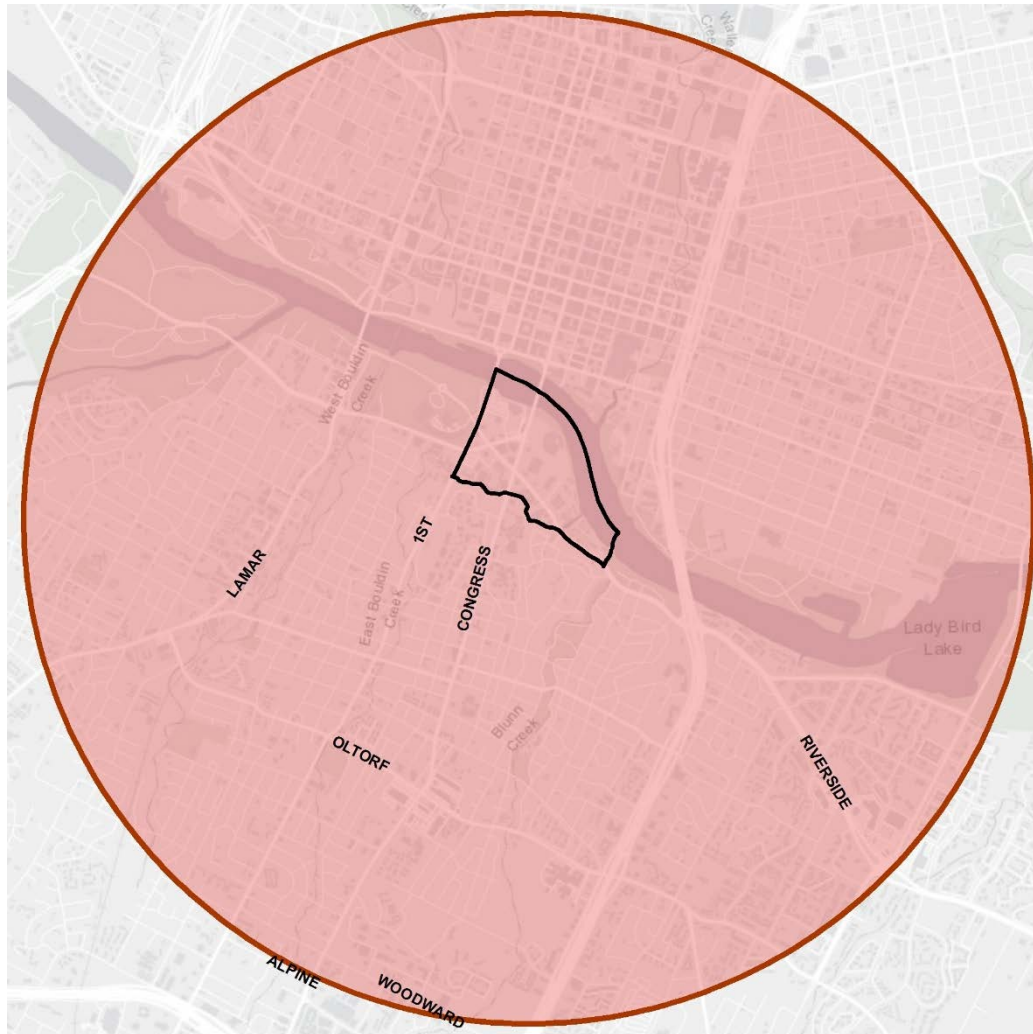
ACHIEVING THE VISION PLAN'S AFFORDABLE HOUSING GOAL

“20% of future housing units developed in the area affordable to households at 60-80% area median income (AMI) for rental and 100-120% AMI for ownership” (pg. 94)

To achieve the goal:

- How we use City-owned land matters
- The total amount of housing (market-rate and affordable) matters
- The sequence of development matters (TIF)
- Having enough funds to take advantage of opportunities matters

BOUNDARIES FOR HOUSING GOAL



425 W. Riverside PUD Ordinance:

“These funds shall be restricted to use in the South Central Waterfront Regulating District and within a two mile radius of the southernmost boundary of the South Central Waterfront Regulating District...”

How might expanding the boundaries for housing affect the affordable housing goal?

- More opportunities to build affordable units, possibly in cheaper locations
- Greater number of total units, so number of affordable units needed to reach 20% goal will also be greater