RESOLUTION NO.

WHEREAS, City Council is committed to enacting development regulations that result in the most and best affordable housing, economic development, parkland dedication, environmental protections, water quality and conservation, utility infrastructure, transportation infrastructure, etc.; and

WHEREAS, the City relies on new developments to provide and fund places for people to live, places for people to work, parks, drainage infrastructure, water quality controls, sidewalks, and other important community benefits; and

WHEREAS, some development regulations that require desired community benefits may result in reduced development capacity or affordability, either by reducing a property's developable land or materially increasing the cost of development; and

WHEREAS, recent increases in the cost of land and cost of development make it more difficult to achieve community benefits and affordable housing; and

WHEREAS, environmental regulations are a Council priority and a tenet of Austin's comprehensive plan Imagine Austin, and can co-exist in concert with Council's other priorities for more and diverse housing supply and community benefits; and

WHEREAS, the Council has approved and continues to support the City's environmental regulations, including Water Forward, and other requirements essential to sustaining the health of Austin's natural resources and continuing our city's quality of life and natural beauty for all; and

WHEREAS, Water Forward is a 100-year, integrated and adaptive water resource plan adopted by Council in 2018 to ensure a diversified, sustainable and

resilient water future with a strong emphasis on water conservation and includes multiple implementation phases of code requirements, the most recent of which Council adopted on May 20, 2021 and Council explicitly reaffirms support for these requirements and coming phases of implementation; and

WHEREAS, updates and improvements to environmental regulations and other requirements are necessary to manage climate changes, and if affordability challenges or reductions of development capacity result, a balancing of entitlements, process improvements, or other methods may be necessary; and

WHEREAS, such balances help the City achieve the environmental protections, community benefits and developments that Austin desires;

~~**WHEREAS**, development regulations that reduce development capacity or affordability should be balanced with entitlements or other changes to ensure that the City can achieve both the community benefits and developments that Austin desires;~~ **NOW, THEREFORE**;

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

The City Manager is directed to create a framework or policy for City staff to follow when Council or the Planning Commission initiate amendments to Title 25 or Title 30 of the City Code. The framework or policy should provide a systematic approach and efficient process to balancing development requirements that reduce development capacity or affordability with entitlements or other changes, including changes to rules and criteria manuals, that offset such requirements without undermining, reversing, or amending them. Requirements are determined to reduce development capacity or affordability if the requirements ~~effectively~~ materially reduce developable land or yield, or materially increase the

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cost of development, including substantially increasing the time for permitting or site plan review.

The City Manager is directed to incorporate a stakeholder process as an element of ~~in~~ the framework/policy.

Requirements and offsets shall be proposed to Planning Commission and City Council for consideration at the same time. As part of the framework/policy, if a requirement is determined to reduce development capacity or affordability, and the City Manager recommends offsets that require amendments to Title 25 or Title 30 of the City Code, the City Manager is directed to provide the City Council with recommendations and options to initiate the code amendments at a time that would allow for the requirement and offset ordinances to be presented together to Planning Commission and any other applicable commission. The City Manager will also consider what offsets, if any, are appropriate given any health and safety considerations. This process applies to new requirements initiated while the framework/policy is being developed and the retrospective review described below is happening.

The framework/policy should include a plan to perform an analysis on its effectiveness two years following adoption and report back to Council on the analysis along with any recommendations for amendments to the framework/policy.

The City Manager is directed to provide a report about the framework/policy to Council no later than April 2023.

BE IT FURTHER RESOLVED:

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The City Manager is directed to analyze requirements enacted or initiated in the last two years to determine which requirements reduce development capacity or affordability.

If any of those requirements reduce development capacity or affordability, the City Manager is directed to consider and propose ways to offset those impacts. If any of those proposals requires an amendment to Title 25 or Title 30 of the City Code, the City Manager shall return to Council by July 2023 with any recommendations to initiate code amendments necessary to implement the proposed offsets. The City Manager will also consider what offsets, if any, are appropriate given any health and safety considerations.

The Council supports the requirements enacted and initiated in the last two years, including, but not limited to Water Forward, and this retrospective review is not intended to undermine, ~~or~~ reverse, or amend those requirements.

BE IT FURTHER RESOLVED:

Nothing in this Resolution limits the Planning Commission's authority to initiate amendments under City Code Section 25-1-501 (*Initiation of Amendment*).

ADOPTED: _____, 2022 **ATTEST:** _____
Myrna Rios
City Clerk

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