




## MEMORANDUM

**TO:** Mayor and Council Members

**FROM:** Rosie Truelove, Director, Housing and Planning Department 

**DATE:** March 9, 2023

**SUBJECT:** Staff update regarding Council Resolution No. 20220728-093 - Fee-in-Lieu (FIL) option for Great Streets Program

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The following are recommendations to address direction given by City Council via Resolution No. [20220728-093](#).

**Background:**

Certain properties in Downtown are eligible to participate in the Downtown Density Bonus Program (the Program) as outlined in [25-2-586](#). In accordance with Program requirements, the applicant is required to execute a restrictive covenant committing to provide streetscape improvements along all public street frontages, consistent with the Great Streets Standards (the Standards).

Properties in the Rainey Street Subdistrict of the Waterfront Overlay (WO) are eligible to participate in the Program per [25-2-739](#). Certain properties in the WO subdistrict have frontage on Texas Department of Transportation (TxDOT) right-of-way (ROW). Where these properties have frontage along TxDOT ROW, the City of Austin has no jurisdiction to require streetscape improvements. Any proposed improvements outside private property on said frontage are to be coordinated with TxDOT.

Two projects seeking Program participation have approached staff with the intent to submit a site development plan showing streetscape improvement not complying with the Standards. The two projects have frontage along TxDOT jurisdiction. After discussions with TxDOT staff, they indicated that they will not allow Great Street improvements to be installed along TxDOT ROW jurisdiction.

On March 12, 2020, the City Council executed [Resolution No. 20200312-040](#). The Council directed the City Manager to “bring forward a recommendation for creating a fee-in-lieu option for the Great Streets requirement of the Downtown Density Bonus Program for projects unable to provide such streetscapes due to other jurisdictional opposition to their construction.”

On July 28, 2022, the City Council executed Resolution No. 20220728-093 directing staff to initiate Code amendments to 25-2-586 (Downtown Density Bonus Program).

**Update:**

Council requested this Code amendment be prepared “As soon as feasible and no later than October 13, 2022.” Staff has presented the requested Code amendment to the Codes and Ordinances Joint Committee (COJC). The COJC requested additional information on updated funding and construction costs. Staff will research updated construction costs before proceeding to the Planning Commission for a recommendation in Spring 2023. Additional time is also needed to create a fund to capture the fee-in-lieu contributions and propose a fee schedule adjustment recommendation.

Staff anticipates the Code Amendment to be brought forward for Council consideration in May 2023.

If you have any questions, please contact Jorge Rousselin, Development Services Division Manager, Housing and Planning Department at (512) 974-2975 or [Jorge.rousselin@austintexas.gov](mailto:Jorge.rousselin@austintexas.gov).

cc:      Jesús Garza, Interim City Manager  
         Rodney Gonzales, Assistant City Manager