

RESOLUTION NO.

WHEREAS, the cost of housing and residential property in Austin is too high for too many people; and

WHEREAS, there is a need for all types of affordable housing including, but not limited to, single family, duplex, townhome, condominium, and multifamily throughout Austin; and

WHEREAS, affordable ownership opportunities are necessary to provide residents with access to stable and good quality housing; and

WHEREAS, the median sales price in the Austin region in April 2023 was \$466,705, putting homeownership out of reach of a large number of residents; and

WHEREAS, density bonus and affordable housing incentive programs have proven to be an effective way to create affordable housing throughout the city; and

WHEREAS, programs such as Affordability Unlocked have largely relied on public subsidies for affordable housing development to produce deeply affordable housing; and

WHEREAS, relying on public subsidies inherently limits affordable housing development due to limited resources; and

WHEREAS, appropriately calibrating land entitlements creates the opportunity to build affordable housing without the need for a public subsidy, including expanding ownership opportunities; and

WHEREAS, the City can only reach the affordability goals set forth in its Strategic Housing Blueprint with a market-driven approach to create more affordable housing; **NOW, THEREFORE,**

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

26 City Council initiates amendments to Title 25 (Land Development) to create
27 an affordable housing bonus program that achieves the following goals:

- 28 1. creates ownership units in single-family residence zoning;
29 2. allows for participation in additional bonus programs;
30 3. maximizes the affordability of ownership units either by making units
31 available to households with the lowest median family income possible
32 or maximizing the number of overall units available to households
33 earning up to 120% of the area median family incomes; and
34 4. applies only to developments that do not rely on development assistance
35 from the City (for purposes of this goal, the SMART Housing Program is
36 not considered development assistance).

37 The program parameters should be developed in consultation with
38 appropriate stakeholders.

39 **BE IT FURTHER RESOLVED:**

40 The City Manager is directed to determine if additional City staff,
41 contractors or other resources are needed to administer and enforce City density
42 bonus programs, and, if so, to report back to Council for its consideration during
43 the annual budget process.

44 **BE IT FURTHER RESOLVED:**

45 To improve the success of bonus programs that create home ownership
46 opportunities, the City Manager is directed to:

- 47 1. identify whether innovative programs that provide additional access to
48 capital, including access to credit, exist;
- 49 2. identify other structural barriers to homeownership for historically
50 disenfranchised communities; and
- 51 3. explore potential solutions that could reduce structural barriers to
52 homeownership for historically disenfranchised communities.

53 **BE IT FURTHER RESOLVED:**

54 The City Manager is directed to process the Code amendments necessary to
55 accomplish the goals of this resolution and return with a draft ordinance for City
56 Council consideration by October 19, 2023.

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59 **ADOPTED:** _____, 2023 **ATTEST:** _____
60 Myrna Rios
61 City Clerk
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