



Recommendation for Action

File #: 23-2880, **Agenda Item #:** 51.

9/21/2023

Posting Language

Authorize a fee in-lieu of on-site affordable housing for a proposed commercial development subject to Plaza Saltillo Transit Oriented Development Regulating Plan located at or near 1612 East 7th Street, Austin, Texas 78702.

Lead Department

Housing Department.

Fiscal Note

This item has no fiscal impact.

Prior Council Action:

March 24, 2022 - Council conducted a public hearing and approved an ordinance amending City Code Title 25 by rezoning property locally known as 1612 East 7th Street (Boggy Creek Watershed). Applicant Request: To rezone from transit-oriented development-neighborhood plan (TOD-NP) combining district zoning (corridor mixed use subdistrict) to transit oriented development-neighborhood plan (TOD-NP) combining district zoning (TOD mixed use subdistrict), to change a condition of zoning.

For More Information:

Rosie Truelove, Director, Housing Department, 512-974-3064; Mandy DeMayo, Deputy Director, Housing Department, 512-974-1091.

Additional Backup Information:

If approved, this action will authorize the director of the Housing Department (Housing) to accept a fee in-lieu of on-site affordable housing for the proposed commercial development located at or near 1612 East 7th Street, Austin, Texas 78702. The property and development are subject to the Plaza Saltillo Transit Oriented Development Regulating Plan (Regulating Plan).

Under this Regulating Plan, a fee-in-lieu is appropriate if a development demonstrates a compelling reason not to provide affordable housing onsite. The Regulating Plan requires Council approval before Housing can accept a fee-in-lieu payment. The proposed development is located in City Council District 3. The proposed development consists of a commercial building that will be used as a hotel.

The proposed development is located within the Corridor Mixed-Use Subdistrict, which does not require a minimum number of residential units. The proposed development seeks a density bonus in the form of waivers of Compatibility Standards. Specifically, the developer seeks a total bonus area of 32,456 square feet. To receive the height bonus, the Regulating Plan requires onsite affordable housing or, if approved by Council, a fee-in-lieu payment estimated \$421,928 (32,456 additional square feet at \$13 per square foot). The City Code sets the current fee at \$13.

Because the proposed development will not include residential, Housing recommends Council find that the developer demonstrated a compelling reason to pay a fee in lieu of onsite affordable housing.

