

**RESOLUTION NO. 20230914-133**

**WHEREAS**, there is a critical need for more affordable housing across the City; and

**WHEREAS**, density bonus and incentive programs have proven to be an effective tool to develop affordable housing units; and

**WHEREAS**, creating walkable, bikeable residential communities with access to public transit and commercial amenities can help reduce automobile reliance and help the City achieve its environmental and sustainability goals; and

**WHEREAS**, there are many commercially-zoned properties throughout the city that are well-suited for residential development; and

**WHEREAS**, residential development in commercially-zoned properties is an effective tool to help address the City's housing and affordability crisis; and

**WHEREAS**, in 2018 the Planning Commission Mapping Working Group estimated that allowing mixed use in commercial zoning could add around 46,324 new housing units; and

**WHEREAS**, the City created the Vertical Mixed Use (VMU) program that allows the development of vertical mixed use buildings with increased entitlements in exchange for providing a percentage of affordable residential units; and

**WHEREAS**, the City Council passed Resolution No. 20211118-052 on November 18, 2021, to update entitlements and affordability requirements, and expand where the VMU zoning overlay can be applied; and

**WHEREAS**, the City Council passed Resolution No. 20211209-056 on December 9, 2021, asking the City Manager to bring Council a voluntary housing

incentive program that allows residential uses in commercial zoning districts if 10 percent of the units are reserved for those making 60 percent of the median family income; and

**WHEREAS**, the City Council adopted the Residential in Commercial (RIC) program on December 1, 2022, which was brought forward in response to Resolution No. 20211209-056; and

**WHEREAS**, further expanding the RIC program to match VMU2 entitlements and allowing applicants to provide other community benefits will create additional opportunities to develop walkable, bikeable communities with more affordable housing, help create other community benefits, and help Austin achieve its sustainability and housing goals; **NOW, THEREFORE**,

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

The City Council initiates amendments to Title 25 (*Land Development*) to change the RIC Program to:

1. for any commercial base zoning district with a maximum allowed height of 60 to 90 feet, modify all standards applicable to a commercial-residential development so that these standards mirror those applicable to a VMU2 building and maximize appropriate ground floor commercial development for the area; and
2. for any commercial base zoning category with a maximum allowed height of greater than 90 feet, modify all standards applicable to a commercial-residential development so that these standards mirror those applicable to a VMU2 building and maximize appropriate ground floor commercial development for the area, except for the

allowable height, in which case the maximum allowable height for the base zoning shall apply; and

3. authorize an applicant to develop residential uses if the applicant provides income-restricted dwelling units and other community benefits.

**BE IT FURTHER RESOLVED:**

The City Manager is directed to prepare the amendments necessary to accomplish the goals in this Resolution and return with a draft ordinance for City Council consideration by February 2024.

**ADOPTED:** September 14, 2023

**ATTEST:** Stephanie Hall for  
Myrna Rios  
City Clerk