

# Density Bonus Briefing Presentation Housing Department

Housing and Planning Committee 11/14/2023

#### **BACKGROUND: AUSTIN STRATEGIC HOUSING BLUEPRINT**

- In 2017 the City of Austin adopted a Strategic Housing Blueprint to address the affordable housing crisis
- Goal of 60,000 affordable units by 2027 to close gap
- The cost to close the gap in lowincome housing in Austin was estimated at over \$11 billion in 2017

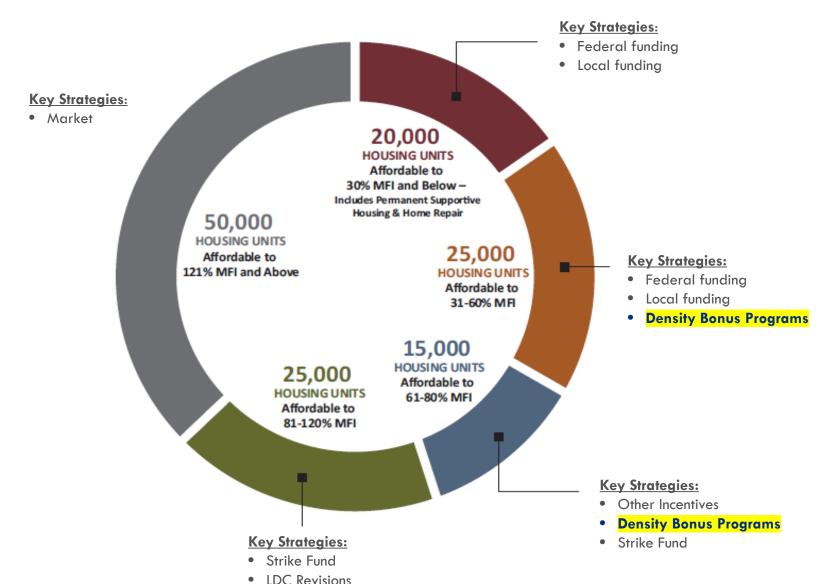
# AUSTIN STRATEGIC HOUSING BLUEPRINT



www.austintexas.gov/housingplan

#### **BACKGROUND: AFFORDABLE HOUSING GOALS & TOOLS**

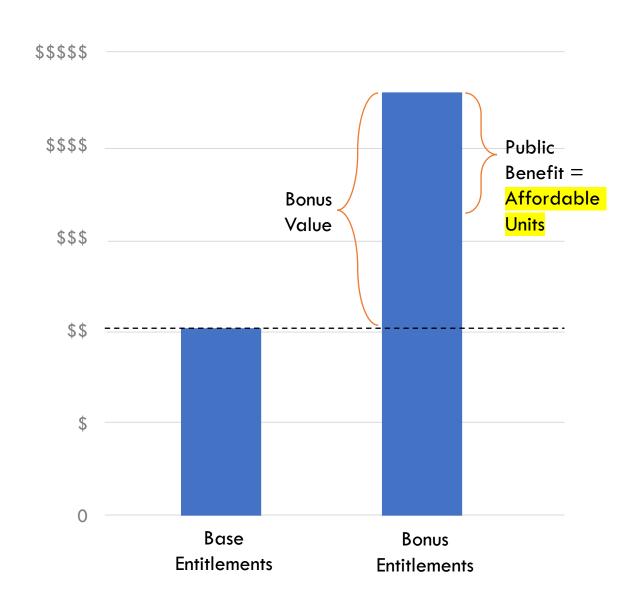
- Goal to create 60,000 affordable units in 10 years
- Subsidize Affordable Housing
  - Local Funding
  - Federal Funding
- Incentivize Affordable Housing
  - Density Bonus
  - Fee Waivers
  - Regulations



#### **BACKGROUND: DENSITY BONUS PROGRAM BASICS**

# What is a Density Bonus Program?

Density bonus programs provide additional height or density (additional units) in exchange for community benefits such as affordable housing

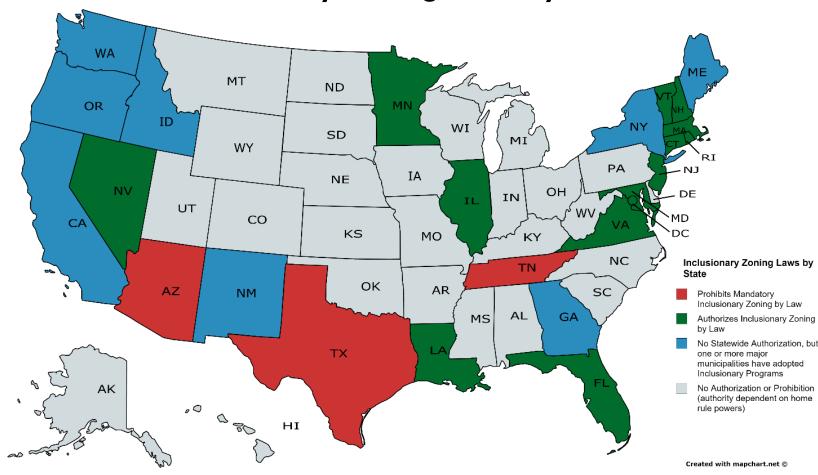


#### **BACKGROUND: AFFORDABILITY TOOLS BANNED IN TEXAS**

### Inclusionary zoning

- Rent Control
- Mandatory Housing
   Voucher acceptance
- Linkage/Impact Fees for affordable housing
- Real estate transfer tax
- Income-based property tax adjustments
- Local minimum wage increases

## **Inclusionary Zoning Laws by State**



Source: Grounded Solutions Network

#### CITY OF AUSTIN: DEVELOPMENT INCENTIVE PROGRAM

#### S.M.A.R.T. HOUSING, Est. 2007

Provides incentives such as fee waivers, density bonuses, tax incentives, and development agreements—to build and to set aside affordable rental and ownership housing for low- and moderate-income households in developments.



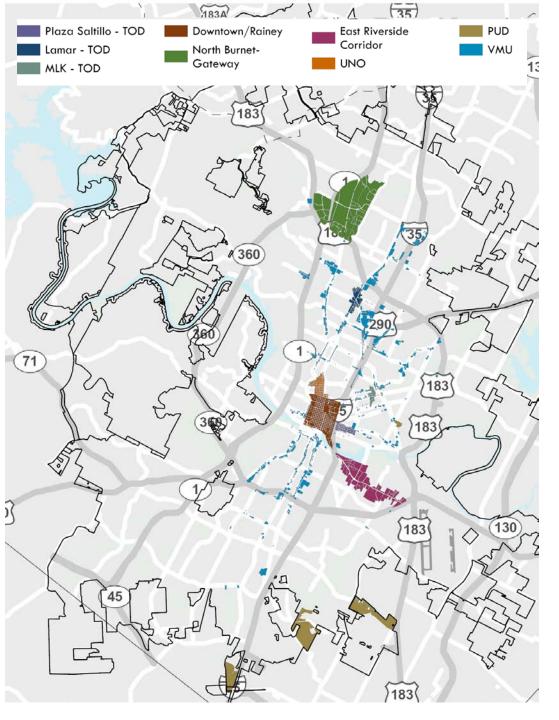
# S.M.A.R.T. Housing<sup>™</sup> Policy

Safe • Mixed Income • Accessible • Reasonably Priced • Transit Oriented

## **Resource Guide**



- Used alongside other subsidies and/or density bonus programs
- Misalignment between S.M.A.R.T. fee waivers and non-S.M.A.R.T. fee waivers causes confusion
- Lower average affordability periods
- Increasingly used in conjunction with density bonus programs
- Inconsistencies in how SMART housing incentives are tracked and reported in the Affordable Housing Inventory
- No specific mixed-use policies
- Fee waivers currently under review per Resolution No.
   20230720-129



# CURRENT DENSITY BONUS PROGRAMS

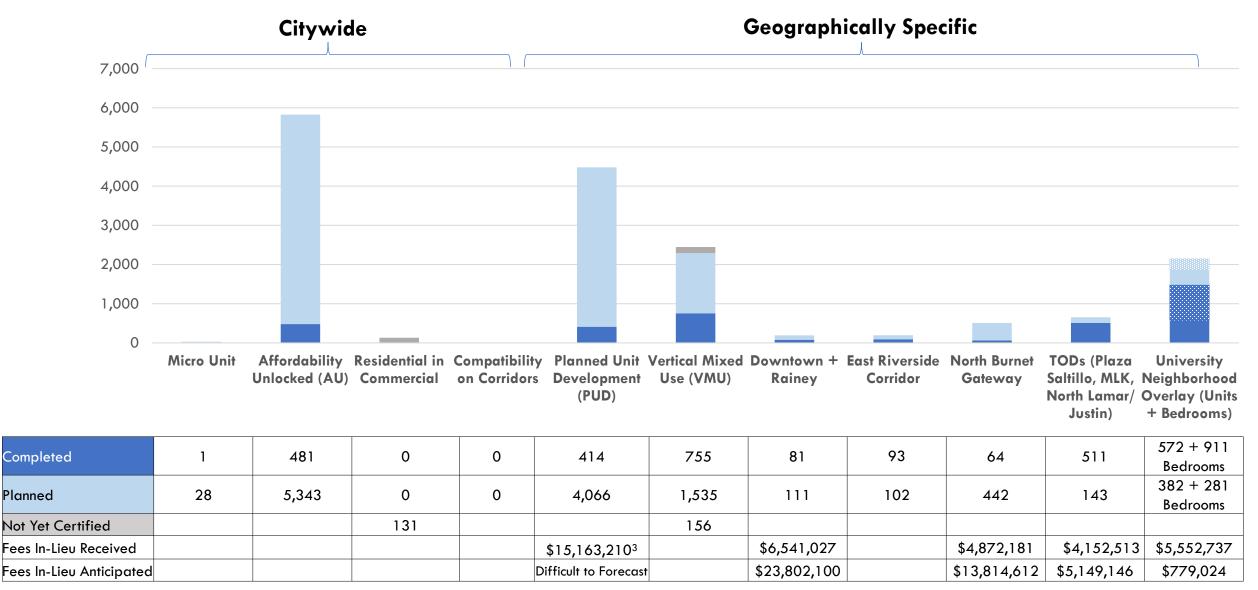
#### **Citywide**

- Micro-Unit
- Affordability Unlocked
- Residential in Commercial
- Compatibility on Corridors

#### **Geographically Specific**

- Planned Unit Developments (PUD)
- Vertical Mixed-Use (VMU)
- Downtown (+ Rainey) Density Bonus
- East Riverside Corridor Regulating Plan
- North Burnet Gateway Regulating Plan
- Transit Oriented Development Regulating Plans (Plaza Saltillo, MLK, North Lamar/Airport)
- University Neighborhood Overlay

#### **CURRENT DENSITY BONUS PROGRAMS: PARTICIPATION**



Planned

# PROGRAM REQUIREMENTS: DEVELOPMENT INCENTIVE + CITYWIDE DENSITY BONUSES

Program	Bonuses	By-unit, or By-sq ft?	Set-aside Requirement	Based on	Rental Affordability	Ownership Affordability	Unit size requirements	Non-residential benefit options	FIL option?	Tenant protections	Non-residential requirements
SMART Housing	Fee waivers	By unit	10%	Total units	80% MFI / 5 years	80% MFI / 1 year	None	None	No	Accessibility and Visitability Standards	Green Building One-Star Rating
Micro Units	For each micro-unit, parking is reduced to 0.25 and minimum site area is waived.	By unit	10%	Total units 500 sq ft or less or 3-bec units	50% MFI / 40 years	80% MFI / 99 years	Calculations only apply to bedrooms 500 sq ft or less, or 3- bedroom units	None	No		Requirements for provision of open space
Affordability Unlocked Tier 1	Waives compatibility, parking, and massing regulations. Modifies setbacks and minimum lot sizes. Height increased by 1.25. Single-family zones allowed 6 dwelling units.  Certified AU residential development is permitted use in commercial and special district base zones.	By unit	50%	Total units	60% MFI / 40 years; must include 20% at 50% MFI	80% MFI / 99 years	25% of affordable units 2+ bedrooms, PSH, or senior housing	None	No	Redevelopment of existing multifamily must meet redevelopment requirements including tenant notification and cost-of-repair analysis;	Commercial space limited
Affordability Unlocked Tier 2	Tier 1 bonuses, with height increased by 1.5 and single-family zones allowed 8 dwelling units.	By unit or bedroom	50% (plus additional Tier 2 criteria)	Total units	Same as Tier 1; must n additional criteria (75% o affordable units at 30 affordable units are 2+ Imagine Austin	affordable; 10% of 1% MFI; 50% of bedrooms; or near	Same as Tier 1	None	No	tenant protection lease addendum must be included for affordable units	
Residential in Commercial	Certified RiC residential development is permitted use in commercial and special district base zones.	By unit	10%	Total units	60% MFI / 40 years	80% MFI / 99 years	Bedrooms sizes for affordable units must be comparable to market-rate units	None	No	Redevelopment requirements for existing multifamily; source of income protections; tenant organizing protections; comparable finishes between affordable and market units; no STR use for affordable dwelling units; no more than 15% of total units can be STRs	Redevelopment requirements for existing creative uses; limits on amount of
Compatibility on Corridors	Compatibility height limits further modified; new height limits depend on corridor size.	By unit	10%	Total units	60% MFI / 40 years	80% MFI / 99 years	Bedrooms sizes for affordable units must be comparable to market-rate units	None	Yes	Redevelopment requirements for existing multifamily; source of income protections; tenant organizing protections; comparable finishes between affordable and market units; no STR use for affordable dwelling units; no more than 15% of total units can be STRs	dwelling units; no more than 15% of total units can be STRs; redevelopment requirements for existing multifamily uses; tenant protection lease

## PROGRAM REQUIREMENTS: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

D	D	By-unit, or	Cat asida Danninanant	Dana dan	Donani Affordahilia.	Ownership		Non-residential benefit	FII antion2	T	Non-residential
VMU 1 (and pre- 2022 VMU)	Massing regulations waived. Parking reduced by 40% (or 75% along light rail line post-2022).		Set-aside Requirement		60% MFI / 40 years	80% MFI /	2022 Ordinance: Bedrooms sizes			2022 Ordinance revision includes: Source of income protections; tenant	requirements  Must meet VMU
VMU 2	VMU 1 bonuses, plus 30' additional height.	By unit	15% (rental along light rail) / 12% (rental not along light rail OR ownership)	Total units	60% MFI / 40 years; option to provide units at 50% MFI at rate of 80% of original set- aside requirement	99 years	units must be comparable to market-rate units	None	No	organizing protections; comparable finishes between affordable and market units	design standards.
Downtown Density Bonus	Grants bonus area above by-right height or FAR limits.	By sq ft	N/A - must achieve bonus area through community benefits	Bonus area sq ft	60% MFI / 40 years	80% MFI / 99 years	None	Multiple: Green building standards, historic preservation, publicly accessible plaza space, green roof, and others can achieve up to 50% of bonus area	Yes	None	Design Commission must approve request
Downtown Density Bonus - Rainey Subdistrict	Grants bonus area above by-right height or FAR limits.	By sq ft	5% (only required for area above by-right limit and within 8:1 FAR)	Square footage in 8:1 FAR; must separately achieve bonus area above 8:1 FAR	60% MFI / 40 years	80% MFI / 99 years	Bedrooms sizes for affordable units must match entire development proportion	FAR: Green building standards, historic		None	Design Commission must approve request
<u>East Riverside</u> <u>Corridor</u>	Grants bonus area above by-right height or FAR limits.	By sq ft	N/A - must achieve bonus area through community benefits – at least 50% of bonus area earned via housing benefits	Bonus area sq ft	60% MFI / 40 years	80% MFI / 99 years	None	Open space, commercial/office space, flood mitigation, water quality controls, water quality setbacks, bicycle facilities	Yes, only in certain cases	None	Design standards in Regulating Plan
North Burnet/Gateway	Grants bonus area above by-right height or FAR limits.	By sq ft	10%	Bonus area sq ft	60% MFI / 40 years	80% MFI / 99 years	None	Provision of a Collector Street	Subject to approval of Director	None	Design standards in Regulating Plan

### PROGRAM REQUIREMENTS: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS cont.

Day arrang	D	By-unit, or	Set-aside Requirement	Danced on	Dontal Affordabilit	Ownership	Unit size	Non-residential benefit	Ell anticus	Toward wastesting	Non-residential
Program Plaza Saltillo TOD - Density	Waives massing	By sq ft		Entire sq ft of developme nt		80% MFI / 99 years	None	None	Subject to Council approval	Tenant protections None	Design standards in Regulating Plan
Plaza Saltillo TOD - Density & Height Bonus	Density bonuses, plus height up to 60'. Only TOD Mixed Use Subdistrict is eligible.	By sq ft	15%	Entire sq ft of developme nt	50% MFI / 40 years	60% MFI / 99 years	None	None	Subject to Council approval	None	Design standards in Regulating Plan
<u>Plaza Saltillo TOD -</u> Super Bonus	Density bonuses, plus height up to 85' and 5% reduction in parking if certain parking design standards are met. Only TOD Urban Mixed Use Subdistrict is eligible.		10% / 25% / 40%	Entire sq ft of developme nt	40% / 60% / 80%	40% / 60% / 80% MFI for 99 years	No more than 70% of units can be efficiencies or 1-bedroom	None	None	None	Design standards in Regulating Plan and Bonus standards
MLK TOD - Density Bonus	Waives massing requirements. Compatibility waived in certain circumstances.	By sq ft	10%	Entire sq ft of developme nt	60% MEL / 40 years	80% MFI / 99 years	None	None	Subject to Council approval	None	Design standards in Regulating Plan
MLK TOD - Density and Height Bonus	Density bonuses, plus height up to 60'. Only TOD Mixed Use Subdistrict is eligible.	By sq ft	15%	Entire sq ft of developme nt	150% or 60% MFI / 40 vears (location	60% or 80% MFI / 99 years (location dependent)	None	None	Subject to Council approval	None	Design standards in Regulating Plan
Lamar/Justin TOD - Density Bonus	Waives massing requirements. Compatibility waived in certain circumstances.	By sq ft	10%	Entire sq ft of developme nt	60% MFL / 40 years	80% MFI / 99 years	None	None	Subject to Council approval	None	Design standards in Regulating Plan
Lamar/Justin TOD - Density and Height Bonus	Density bonuses, plus height up to 60'. Only TOD Mixed Use Subdistrict is eligible.	By sq ft	15%	Entire sq ft of developme nt	60% MEL / 40 years	80% MFI / 99 years	None	None	Subject to Council approval	None	Design standards in Regulating Plan
<u>UNO</u>	Required to develop within UNO. Height up to 120' allowed with	By unit or bedroom	10% / 20%	Total units or bedrooms	60% MFI and 50% MFI / 40 years	N/A	Applicant can opt into leasing by bedroom	None	Yes - as alternativ e to 50% MFI set- aside	None	UNO design standards

#### **CURRENT DENSITY BONUS PROGRAMS: POLICY CONSIDERATIONS - ADMINISTRATIVE**

- Separate and redundant application processes for programs leading to confusion for applicants
- Inconsistency in approval process for Feein-Lieu (Council, Director of Housing, or no approval needed)
- Inconsistency on target fund (Housing Trust Fund, Housing Assistance Fund)

- Inconsistency of community benefits and developer incentives
- Lack of tracking system for other community benefits
- Difficult to spend geographically specific funds with additional restrictions
- Staff time implementing so many different programs with varying requirements

#### **CURRENT DENSITY BONUS PROGRAMS: POLICY CONSIDERATIONS – PROGRAMMATIC**

- Lack of clear approach on appropriate balance between community benefits and incentives
- Underutilization of citywide programs as standalone incentives
- Multiple programs lead to confusion and discourage participation
- Lack of explicit bonuses for highopportunity areas
- City-wide density bonuses with minimal affordability requirements may scatter density and hinder planned growth areas like the ETOD overlay, and Imagine Austin centers.

- Increased entitlements by-right may decrease participation in density bonus programs
- Density bonus programs competing with one another
- Inconsistent affordability requirements
- Multiple programs mean it is difficult to adapt and update as city-wide land use policies evolve over time.

#### **CURRENT DENSITY BONUS PROGRAMS: POLICY CONSIDERATIONS – CALIBRATION**

- Shifting market conditions (interest rates, inflation, construction costs, etc.)
- Programs with greater community benefits tend to need additional public subsidy
- Calibration needs to be more frequent
- Fee-in-lieu is too low and not equivalent to creation of affordable units

- Multiple programs mean calibration efforts are limited to narrow, program-specific context
- Difficult to extrapolate conclusions beyond each program's context

#### **NEXT STEPS**

- Consultant on board to assist with a comprehensive approach to density bonuses
  - Expected Timeline: Summer/Fall 2024
- Administrative clean up



# Thank you!

#### CITY OF AUSTIN: DEVELOPMENT INCENTIVE PROGRAM

#### S.M.A.R.T. HOUSING, Est. 2007

Provides incentives such as fee waivers, density bonuses, tax incentives, and development agreements—to build and to set aside affordable rental and ownership housing for low- and moderate-income households in developments.

12,318

Completed Affordable Units

16,751 Planned Affordable Units



# of Ownership **Applications FY** 2022-2023

Minimum Ownership **Affordability** Period

year

Average Ownership Affordability Period

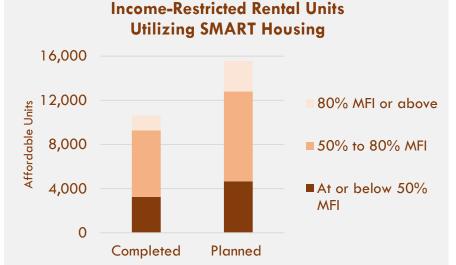
10 years

# of Rental **Applications FY** 2022-2023

Minimum Rental **Affordability** Period

5 years

Average Rental **Affordability** Period

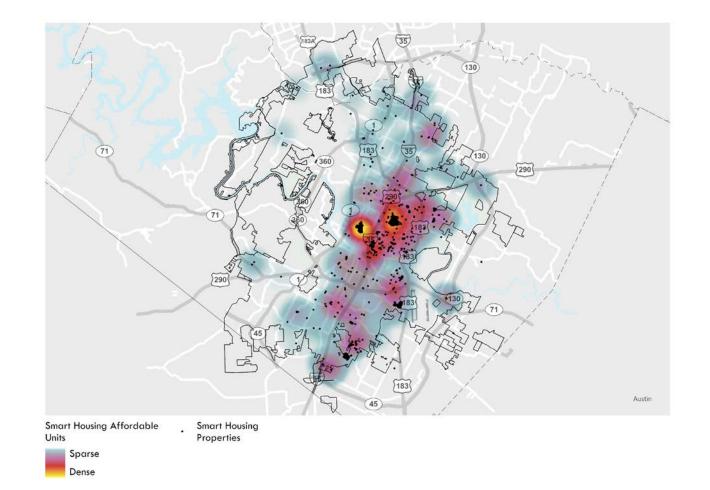


#### **CITY OF AUSTIN: DEVELOPMENT INCENTIVE PROGRAM**

#### S.M.A.R.T. HOUSING, Est. 2007

Provides incentives such as fee waivers, density bonuses, tax incentives, and development agreements—to build and to set aside affordable rental and ownership housing for low- and moderate-income households in developments.

- Misalignment between S.M.A.R.T. fee waivers and non-S.M.A.R.T. fee waivers causes confusion
- Lower average affordability periods
- Often used in conjunction with density bonus programs
- Inconsistencies in how SMART housing incentives are tracked and reported in the Affordable Housing Inventory
- No specific mixed-use policies
- Fee waivers currently under review per Resolution No. 20230720-129



#### MICRO UNIT, Est. 2014

A voluntary program with relaxed requirements for eligible units providing on-site affordable housing. Applies to small units or three-bedroom units in specific transit-oriented areas.

Completed Affordable Units

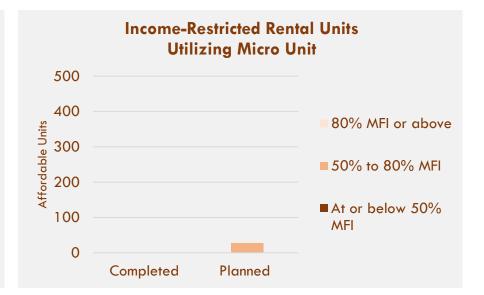






Minimum Ownership Affordability Period

99 year



# of Rental **Applications FY** 2022-2023

Minimum Rental Affordability Period

#### MICRO UNIT, Est. 2014

A voluntary program with relaxed requirements for eligible units providing on-site affordable housing. Applies to small units or three-bedroom units in specific transit-oriented areas.

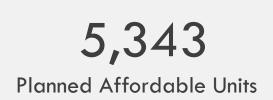
- Established in 2014
- 1 application in FY 22-23
- 1 planned unit, 28 completed units
- Program has not yielded many units
- Might be more effective if combined with other planned transit-oriented density bonus programs like the ETOD Overlay



#### AFFORDABILITY UNLOCKED, Est. 2019

The 'Affordability Unlocked' Development Bonus Program offers incentives to affordable housing developers. By setting aside half of the total units as affordable, developers can receive benefits like height and density increases.

Completed Affordable Units

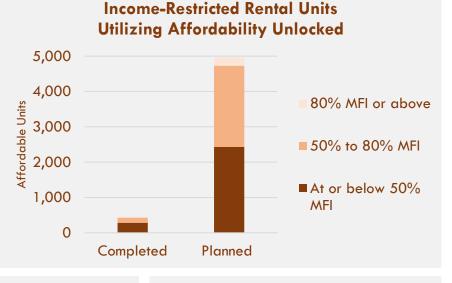




# of Ownership **Applications FY** 2022-2023

Minimum Ownership Affordability Period 99 year

# of Rental **Applications FY** 2022-2023

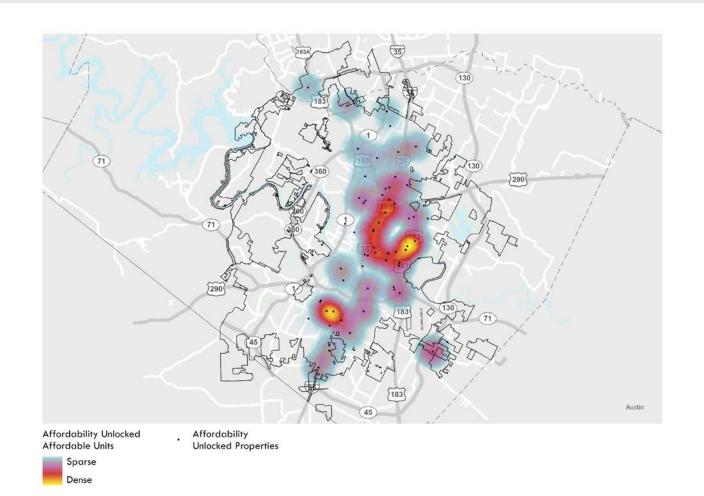


Minimum Rental Affordability Period

#### AFFORDABILITY UNLOCKED, Est. 2019

The 'Affordability Unlocked' Development Bonus Program offers incentives to affordable housing developers. By setting aside half of the total units as affordable, developers can receive benefits like height and density increases.

- 21 applications in FY 22-23
- Estimated 80-90% of AU applicants receive or intend to apply for local, state, or federal subsidy
- Land use incentives eased citywide may impact participation
- Resolution No. 20230608-041
   proposes a new tier within the program for developments that do not utilize housing development assistance programs



#### **RESIDENTIAL IN COMMERCIAL, Est. 2022**

A voluntary bonus program that applies to certain commercial base zoning districts. Participation in this voluntary program permits residential uses in these commercial base zoning districts.

Completed Affordable Units

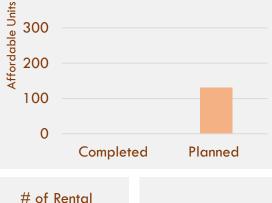






# of Ownership **Applications FY** 2022-2023

Minimum Ownership Affordability Period 99 year



**Income-Restricted Rental Units** 

**Utilizing RC** 

**Applications FY** 2022-2023

500

400

Minimum Rental Affordability Period

80% MFI or above

■ 50% to 80% MFI

■ At or below 50%

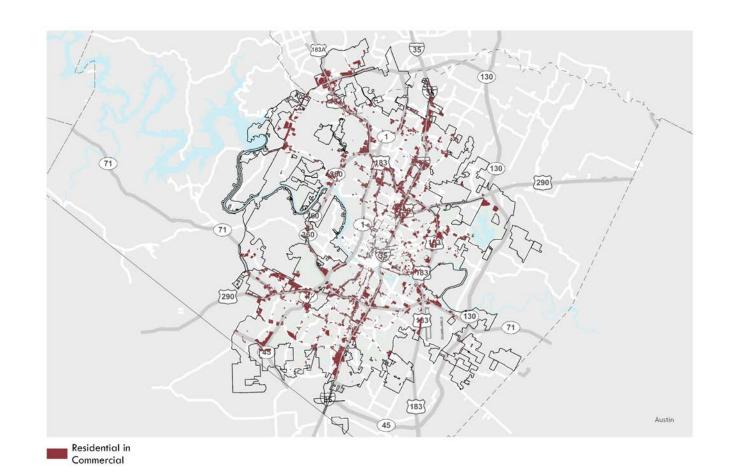
MFI

#### **RESIDENTIAL IN COMMERCIAL, Est. 2022**

A voluntary bonus program that applies to certain commercial base zoning districts. Participation in this voluntary program permits residential uses in these commercial base zoning districts.

- Established in 2022
- 6 applications in FY 22-23
- 131 planned units (not yet certified)
- Resolution No. 20230831-086

   initiates expansion of zoning districts
   and increased development
   standards.
- Unlike other programs, if a
   development wishes to utilize bonuses
   for another program, they must add
   the other program's required
   affordable units in addition to the RC
   required units. Compatibility on
   Corridors is the only exception.

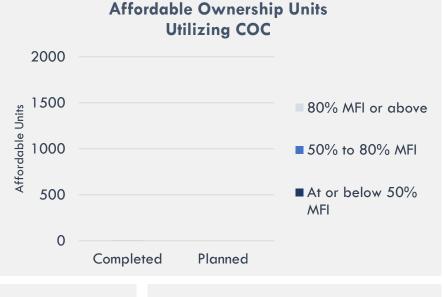


#### COMPATIBILITY ON CORRIDORS, Est. 2022

A voluntary bonus program that relaxes compatibility standards and parking requirements for properties along certain corridors which agree to meet the affordable housing requirements of the program.

Completed Affordable Units







Planned Affordable Units

# of Ownership **Applications FY** 2022-2023

Minimum Ownership Affordability Period

99 year

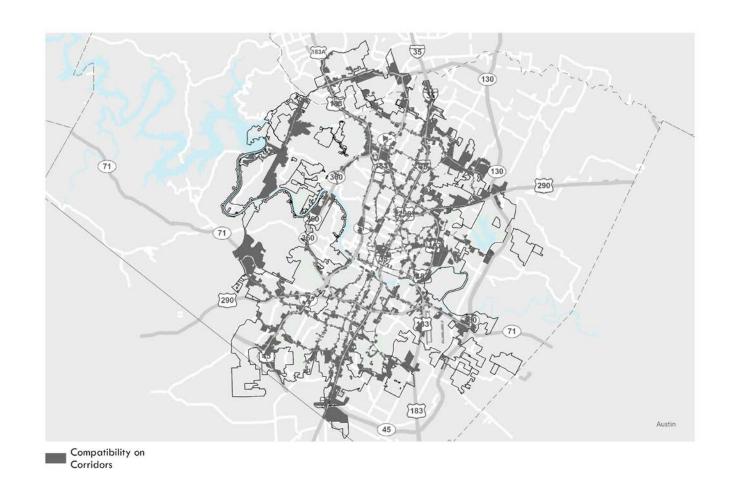
# of Rental **Applications FY** 2022-2023

Minimum Rental Affordability Period

#### **COMPATIBILITY ON CORRIDORS, Est. 2022**

A voluntary bonus program that relaxes compatibility standards and parking requirements for properties along certain corridors which agree to meet the affordable housing requirements of the program.

- Established in 2022
- No applications received
- Complexity of implementation
- Resolution 20230608-045 proposes relaxed compatibility standards citywide and Resolution 20230504-022 proposes the elimination of parking requirements, if those two policies are adopted, there would likely no longer be a need for this density bonus program



#### VERTICAL MIXED USE (VMU), Est. 2010

A voluntary density bonus for properties with the -V combining district. It offers modifications to regulations, including setbacks, FAR, permitted uses, and parking. VMU buildings must have mixed uses and on-site affordable housing.

755

Completed Affordable Units

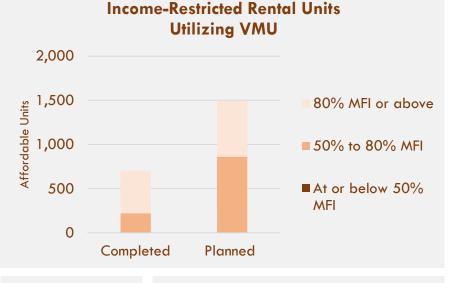




# of Ownership **Applications FY** 2022-2023

Minimum Ownership Affordability Period 99 year

# of Rental **Applications FY** 2022-2023

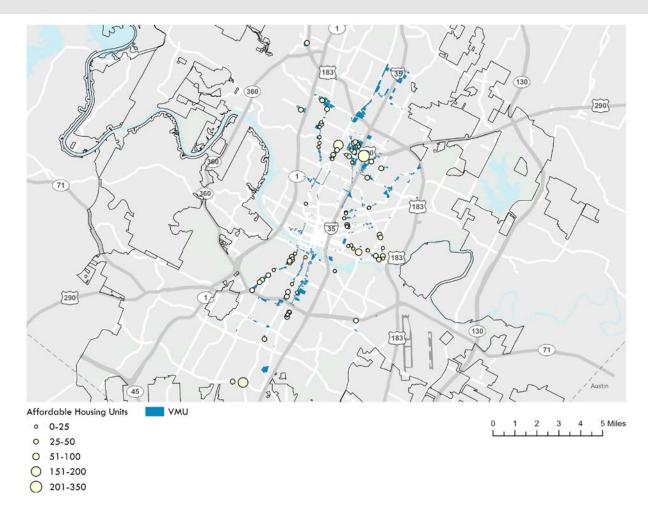


Minimum Rental Affordability Period

#### VERTICAL MIXED USE (VMU), Est. 2010

A voluntary density bonus for properties with the -V combining district. It offers modifications to regulations, including setbacks, FAR, permitted uses, and parking. VMU buildings must have mixed uses and on-site affordable housing.

- 11 applications in FY 22-23
- 156 planned units not yet certified
- Ordinance No. 20220609-080
   simplified and expanded the VMU program, introducing VMU2 Buildings with greater affordability requirements in exchange for increased bonus height
- Compatibility was relaxed to 100 ft for VMU properties along light rail lines only



#### DOWNTOWN DENSITY BONUS PROGRAM (Est. 2013) + RAINEY ST SUBDISTRICT (Est. 2005, Amd. 2014)

The Downtown Density Bonus program covers the downtown area. This program provides an increase in maximum height and FAR in exchange for on-site affordable housing units, a fee-in-lieu of affordable housing units, community benefits, or some combination of the three.

8 1
Completed Affordable Units





Ownership FIL Planned: \$2,169,460 Ownership FIL Completed: \$1,139,776 Rental FIL Planned: \$21,632,640 Rental FIL Completed: \$4,609,797

Planned Affordable Units

# of Ownership Applications FY 2022-2023

2

Minimum Ownership
Affordability Period

99 year

# of Rental Applications FY 2022-2023

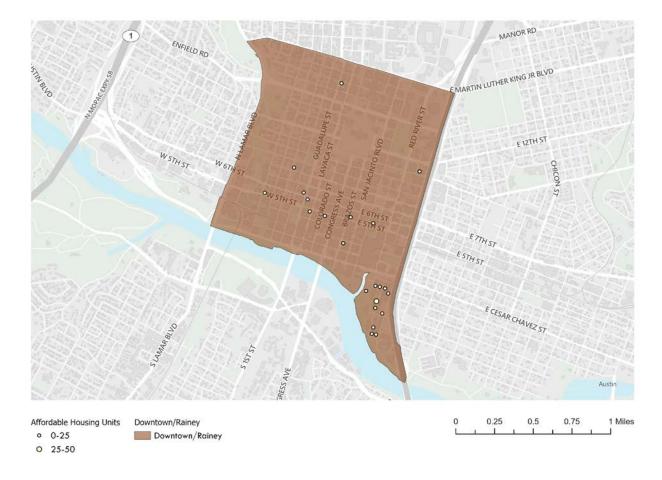
2

Minimum Rental Affordability Period

#### DOWNTOWN DENSITY BONUS PROGRAM (Est. 2013) + RAINEY ST SUBDISTRICT (Est. 2005, Amd. 2014)

The Downtown Density Bonus program covers the downtown area. This program provides an increase in maximum height and FAR in exchange for on-site affordable housing units, a fee-in-lieu of affordable housing units, community benefits, or some combination of the three.

- On-site affordable housing is difficult to finance in high-rise construction, leading to more utilization of FIL
- More pedestrian and bicyclist connectivity needed in the Rainey Street District

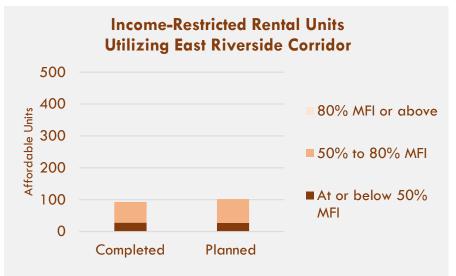


#### **EAST RIVERSIDE CORRIDOR, Est. 2013**

East Riverside Corridor covers properties along East Riverside Drive bounded by IH-35 to the west and Highway 71 to the east. This Regulating Plan includes a voluntary affordable housing bonus.

93
Completed Affordable Units





102Planned Affordable Units

# of Ownership Applications FY 2022-2023

Minimum Ownership
Affordability Period

99 year

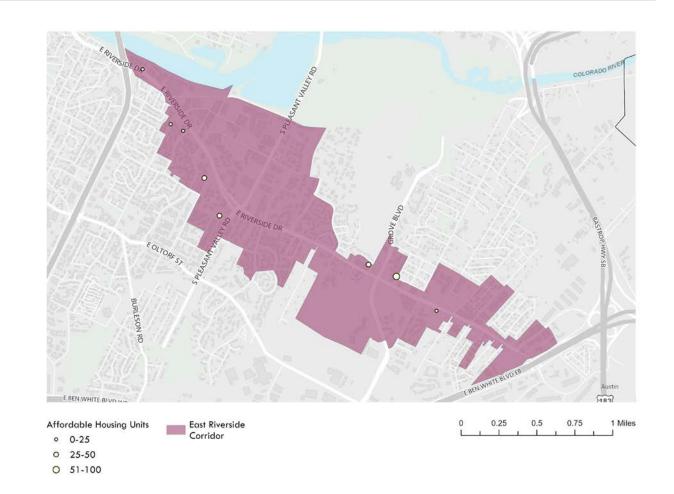
# of Rental Applications FY 2022-2023

Minimum Rental
Affordability Period
40 years

#### **EAST RIVERSIDE CORRIDOR, Est. 2013**

East Riverside Corridor covers properties along East Riverside Drive bounded by IH-35 to the west and Highway 71 to the east. This Regulating Plan includes a voluntary affordable housing bonus.

- Calibration needed to increase participation, particularly due to planned light rail investment along E. Riverside
- Zoning cases for additional entitlements instead of utilizing the density bonus program



#### NORTH BURNET GATEWAY (NBG), Est. 2009

North Burnet Gateway is a 2,300-acre area in north Austin, bounded by Walnut Creek, Metric Boulevard, US 183, Braker Lane, and MoPac. The NBG Regulating Plan includes a voluntary affordable housing bonus.

64

Completed Affordable Units

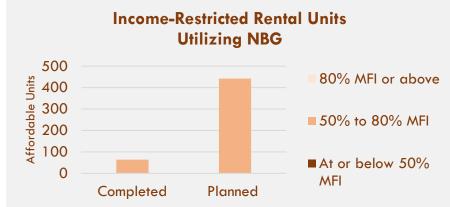


Ownership FIL Planned: \$0
Ownership FIL Completed: \$0

# of Ownership Applications FY 2022-2023

0

Minimum Ownership
Affordability Period
99 year



Rental FIL Planned: \$0

Rental FIL Completed:\$2,176,197

Non-Residential FIL Planned: \$13,814,612 Non-Residential FIL Completed: \$581,536

# of Rental Applications FY 2022-2023

6

Minimum Rental
Affordability Period

40 years

442
Planned Affordable Units

#### NORTH BURNET GATEWAY (NBG), Est. 2009

North Burnet Gateway is a 2,300-acre area in north Austin, bounded by Walnut Creek, Metric Boulevard, US 183, Braker Lane, and MoPac. The NBG Regulating Plan includes a voluntary affordable housing bonus.

- Most planned and received benefits todate have been fee-in-lieu
- All on-site income-restricted units have been rental
- Resolution No. 20230504-020 proposes recalibration of density bonus program to increase participation
- More consideration needed for nonresidential community benefits



#### PLAZA SALTILLO TOD, Est. 2009

A Transit Oriented Development (TOD) Regulating Plan next to the Plaza Saltillo Commuter Rail station that incorporates an optional affordable housing bonus.

364

Completed Affordable Units



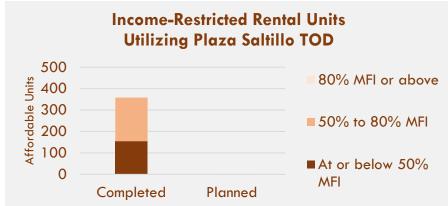
Ownership FIL Planned: \$0
Ownership FIL Completed: \$0

# of Ownership
Applications FY
2022-2023

0

Minimum Ownership
Affordability Period

99 year



Rental FIL Planned: \$252,084

Rental FIL Completed: \$0

Non-Residential FIL Planned: \$4,897,062 Non-Residential FIL Completed: \$3,310,322

# of Rental Applications FY 2022-2023

Minimum Rental Affordability Period

40 years

Planned Affordable Units

#### PLAZA SALTILLO TOD, Est. 2009

A Transit Oriented Development (TOD) Regulating Plan next to the Plaza Saltillo Commuter Rail station that incorporates an optional affordable housing bonus.

- Calibration needed to increase participation
- Zoning cases for additional entitlements instead of utilizing the density bonus program
- More consideration needed for nonresidential community benefits

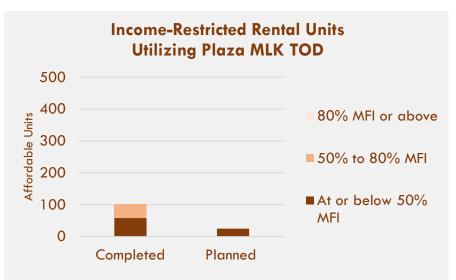


#### MLK TOD, Est. 2009

A Transit Oriented Development (TOD) Regulating Plan next to the MLK station that incorporates an optional affordable housing bonus.

106
Completed Affordable Units





26
Planned Affordable Units

# of Ownership Applications FY 2022-2023

Minimum Ownership
Affordability Period

99 year

# of Rental Applications FY 2022-2023

0

Minimum Rental Affordability Period

#### MLK TOD, Est. 2009

A Transit Oriented Development (TOD) Regulating Plan next to the MLK station that incorporates an optional affordable housing bonus.

- Calibration needed to increase participation
- More consideration needed for nonresidential community benefits

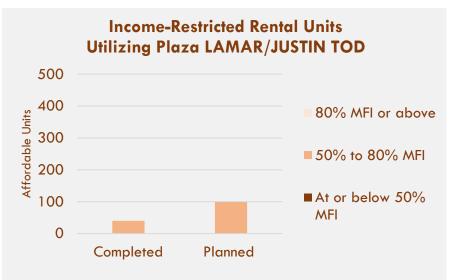


#### LAMAR/JUSTIN TOD, Est. 2009

A Transit Oriented Development (TOD) Regulating Plan next to the Crestview station that incorporates an optional affordable housing bonus.

4 | Completed Affordable Units





115Planned Affordable Units

# of Ownership Applications FY 2022-2023

Minimum Ownership
Affordability Period

99 year

# of Rental Applications FY 2022-2023

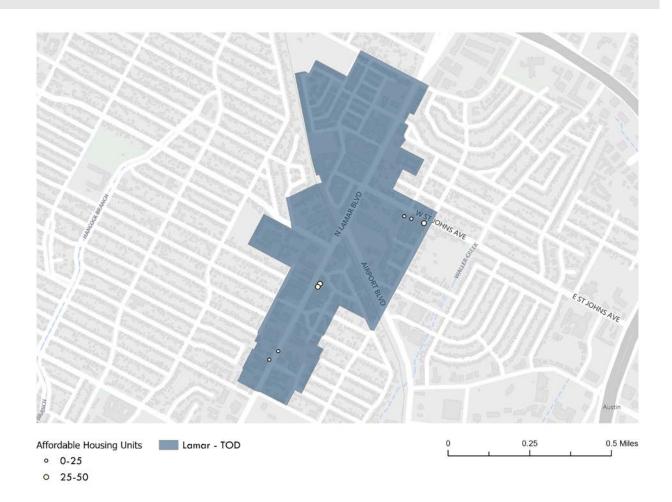
Affordability Period

40 years

#### LAMAR/JUSTIN TOD, Est. 2009

A Transit Oriented Development (TOD) Regulating Plan next to the Crestview station that incorporates an optional affordable housing bonus.

- Calibration needed to increase participation
- More consideration needed for nonresidential community benefits



#### **UNIVERSITY NEIGHBORHOOD OVERLAY (UNO), EST. 2004**

A density bonus overlay that applies to the area just west of the University of Texas campus that provides additional height, FAR, and modifications to compatibility and parking standards in exchange for affordability benefits.

572

Completed Affordable Units

911

Completed Affordable
Bedrooms

382

Planned Affordable Units

281

Planned Affordable Bedrooms





# of Ownership Applications FY 2022-2023

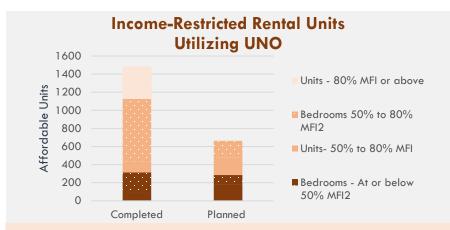
0

Minimum Ownership Affordability Period (post 2/24/14)

40 years

Average Ownership Affordability Period

15 years



Fee-in-Lieu Planned: \$779,024

Completed: \$4,894,932

# Non-Residential FIL Planned: \$0

Completed: \$132,827

# of Rental Applications FY 2022-2023

2

Minimum Rental Affordability Period (post 2/24/14)

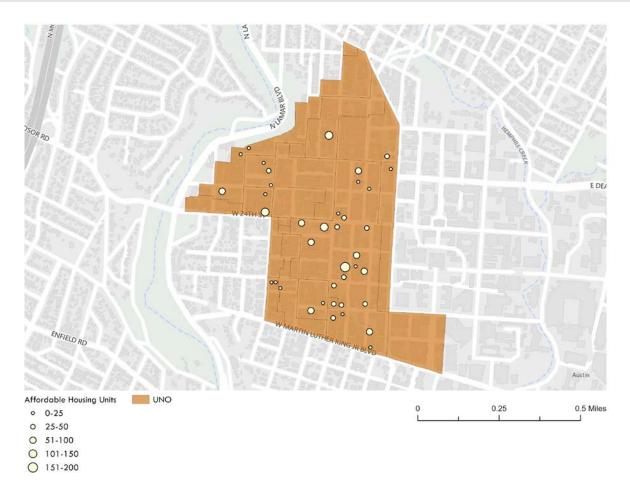
40 years

Average Rental
Affordability
Period

#### UNIVERSITY NEIGHBORHOOD OVERLAY (UNO), EST. 2004

A density bonus overlay that applies to the area just west of the University of Texas campus that provides additional height, FAR, and modifications to compatibility and parking standards in exchange for affordability benefits.

- Non-compliance for UNO properties
- Separate fee-in-lieu target fund
- Applicant confusion re: relation between SMART & UNO programs
- Additional compliance flexibility targeted to student tenants
  - Ex: Rental by bedroom; qualification based on need-based financial aid
- High level of participation with deeper affordability than standard SMART Housing requirements



#### PLANNED UNIT DEVELOPMENT (PUD), Est. 2008

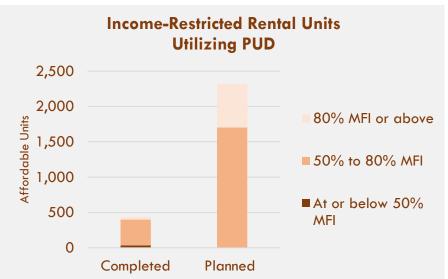
A custom zoning district for complex developments under unified control. Regulations must be superior to conventional zoning; affordable housing may be considered but not required.











**Average Rental** Affordability Period 30 years

#### PLANNED UNIT DEVELOPMENT (PUD), Est. 2008

A custom zoning district for complex developments under unified control. Regulations must be superior to conventional zoning; affordable housing may be considered but not required.

- AHI data inconsistencies
- PUDs do not have specific affordability requirements, only guidelines for defining superiority
- PUDs submit a rezoning request, not a density bonus application
- Development Agreements sometimes have PUD zoning, but the affordability requirements are attached to the development agreement, not the zoning

#### **CURRENT DENSITY BONUS PROGRAMS: PARTICIPATION**

		Plan		Completed (Completed or Affordability Period Expired)			
			or Building Permit Issued)				
		income-kestricted Units	ree-in-Lieu Anticipatea	Income-Restricted Units	ree-in-Lieu keceivea		
Щ	Micro Unit	28		1			
$\leq$	Affordability Unlocked (AU)	5,343		481			
CITYWIDE	Residential in Commercial	1312		0			
O	Compatibility on Corridors	0		0			
O	Planned Unit Development (PUD)	3,779	Difficult to Forecast	414	\$15,163,210 <sup>3</sup>		
SPECIFIC	Vertical Mixed Use (VMU)	1,535+156 <sup>1</sup>		755			
P	Downtown + Rainey	111	\$23,802,100	81	\$6,541,027 <sup>3</sup>		
	East Riverside Corridor	102		93			
	North Burnet Gateway	442	\$13,814,612	64	\$4,872,181 <sup>3</sup>		
$\underline{\circ}$	Plaza Saltillo TOD	2	\$5,149,146	364	\$4,152,513 <sup>3</sup>		
GEOGRAPHICALLY	MLK TOD	26		106			
RA	Lamar/Justin TOD	115		41			
OG	University Neighborhood Overlay						
)E(	Units	382	\$779,024	572	\$5,552,737 <sup>3</sup>		
O	Bedrooms	281		911			

AHI Open Data Portal export included data that was up-to-date through July 27

<sup>&</sup>lt;sup>1</sup>Reflects participation in updated VMU Program (June 20, 2022 update); applications not yet certified

<sup>&</sup>lt;sup>2</sup>Applications not yet certified

<sup>&</sup>lt;sup>3</sup> Information retrieved 9/1/2023 from AIMS, the City's financial system