



City of Austin

Recommendation for Action

File #: 24-4139, **Agenda Item #:** 36.

4/18/2024

Posting Language

Authorize a fee in-lieu of on-site affordable housing for a proposed mixed-use development subject to the Plaza Saltillo Transit Oriented Development Regulating Plan located at or near 1501 E. 6th Street, Austin, Texas 78702.

Lead Department

Housing Department.

Fiscal Note

This item has no fiscal impact.

Prior Council Action:

August 26, 2021 - Council approved an ordinance amending the Plaza Saltillo TOD Station Area Plan, located within the East Cesar Chavez Neighborhood Plan as an element of the Imagine Austin Comprehensive Plan, to change the base maximum building height from 60 feet to 90 feet for property located at 1501 and 1509 East 6th Street and 1510 East 5th Street.

For More Information:

Mandy DeMayo, Interim Director, Housing Department, 512-974-1091; Angela Means, Interim Deputy Director, Housing Department, 512-974-1534.

Additional Backup Information:

If approved, this action will authorize the director of the Housing Department to accept a fee in-lieu of on-site affordable housing for the proposed mixed-use development located at or near 1501 East 6th Street, Austin TX 78702. The property and development are subject to the Plaza Saltillo Transit Oriented Development Regulating Plan (Regulating Plan).

The proposed development is located in City Council District 3 and in the TOD Mixed Use subdistrict. The applicant is proposing a 341,408 square foot development with 260 proposed multifamily units, ranging from studio to 3 bedroom units, and above ground floor commercial space. The proposal is for new development on a site with no existing structures. The proposed development seeks a density bonus, as described in the Regulating Plan, in the form of waivers of Site Development Standards including maximum floor-to-area ratio, maximum density, and compatibility standards. To receive the density bonus, the Regulating Plan requires on-site affordable housing or, if approved by Council, a fee in-lieu payment.

Under this Regulating Plan, Council must approve a request to pay fee in-lieu. The Regulating Plan states that a fee in-lieu is appropriate if a development demonstrates a compelling reason not to provide housing on-site. The City Code sets the current fee in-lieu amount at \$13 per square foot of bonus area.

If approved, the fee in-lieu would be based on the square footage of bonus area. The Regulating Plan sets the bonus area square footage as the greater of the following: the increase in gross building area above that established by the maximum floor-to-area ratio as described in Subsection 4.2.8 of the regulating plan; or the

number of additional dwelling units above that established in Section 2.3 of the Regulating Plan multiplied by the average unit square footage of the entire development seeking the development bonus; or the amount of gross building area constructed within a space previously restricted by compatibility standards.