

**MEMORANDUM**

TO: Mayor and City Council

THROUGH: Stephanie Hayden-Howard, Assistant City Manager *SHH*

FROM: Mandy DeMayo, Interim Director, Housing Department *MDS*

DATE: April 25, 2025

SUBJECT: **SMART Housing Program – Staff Response (Resolution No. 20230720-129)**

The purpose of this memorandum is to respond to [Resolution No. 20230720-129](#) regarding amendments to the Safe, Mixed-Income, Accessible, Reasonably-priced, Transit-Oriented (SMART) Housing program. The resolution directed the City Manager to identify fees eligible for waiver in the annual fee ordinance and pursue any additional administrative updates to improve program effectiveness.

The amendments related to fee waivers have been completed by the Development Services Department and were approved in [Ordinance No. 20240201-053](#). This memorandum outlines the Housing Department's recommendations for further administrative amendments.

Housing staff have identified and drafted proposed amendments to improve the SMART Housing Program's operation and functionality. Staff presented the draft amendments to the Codes and Ordinances Joint Committee on April 16th and will present to the Planning Commission on April 29th before being brought forward for the City Council's consideration with an anticipated public hearing scheduled for the May 22nd City Council meeting. As a result, the draft amendments are subject to further changes. Staff proposes to:

- Amend the Median Family Income (MFI) requirements for rental housing from 80% MFI to 60% MFI, and allow income averaging to achieve the required MFI level
- Amend the certification process to align with the standard affordable housing certification process outlined in City Code section 4-18-25
- Remove numerous outdated or administratively infeasible provisions

The proposed amendments are anticipated to have minimal programmatic impact. Additional resources would be needed to pursue more substantial revisions to the SMART Housing program, as the current resolution only addresses administrative updates to improve program effectiveness. A comprehensive update to the program would allow staff to evaluate substantial updates to existing requirements, consider extending the program's scope, and weigh the budgetary impacts of changes to the program. However, this would require significant staff time across multiple departments, extensive community engagement, stakeholder involvement, third-party economic

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analysis, and internal evaluations. Accordingly, staff is currently assessing the resources necessary to undertake the comprehensive update. In the meantime, the proposed SMART Housing amendments being offered will improve programmatic efficiency.

Should you have any questions or concerns, please contact Mandy DeMayo at (512)974-1091 or mandy.demayo@austintexas.gov.

cc: T.C. Broadnax, City Manager
Erika Brady, City Clerk
Corrie Stokes, City Auditor
Mary Jane Grubb, Municipal Court Clerk
Judge Sherry Statman, Municipal Court
CMO Executive Team
Department Directors