

AUSTIN LAND DEVELOPMENT CODE

CodeNEXT and Housing
October 2017

SHAPING THE AUSTIN WE IMAGINE



CODENEXT

03-OCT-17

Overview

- Introduction
- A Review of Housing Capacity Analysis
- Housing Report card
 - High & Medium Opportunity Areas
 - Urban Core vs. Suburban Austin
 - Market Rate economical units
- Affordable Housing Bonus Program



HOUSING CAPACITY ANALYSIS

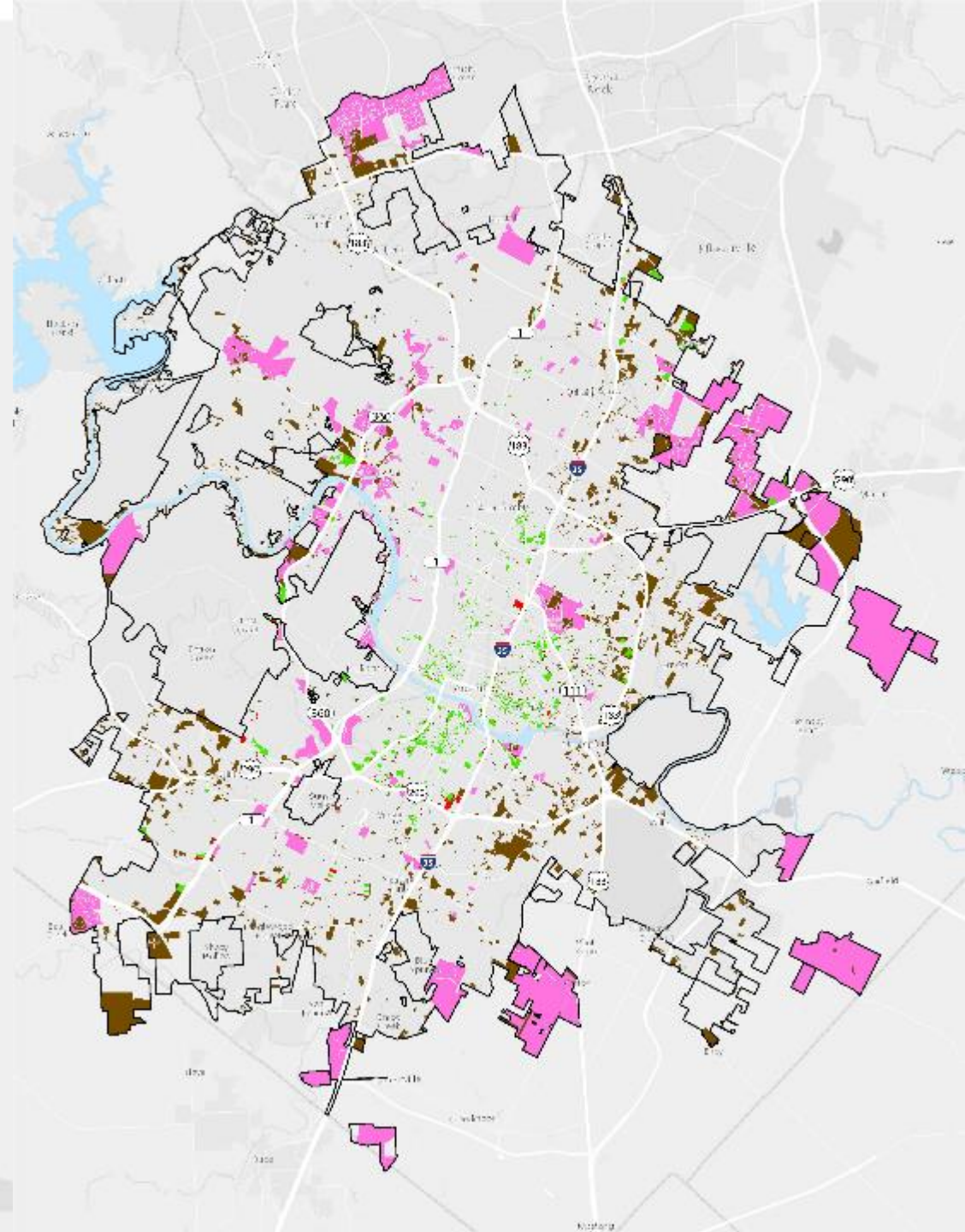
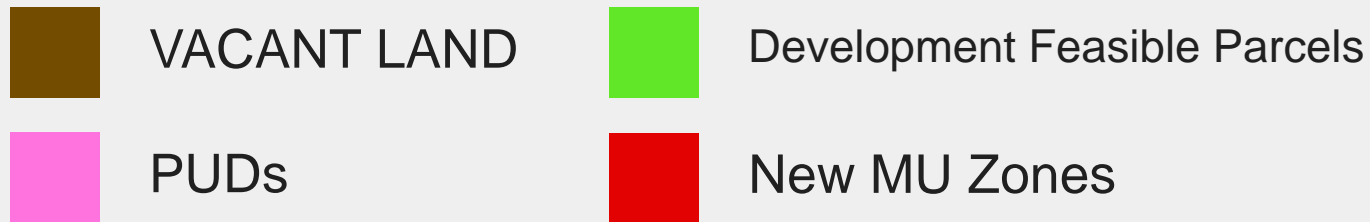
REVIEW OF
CAPACITY



HOUSING

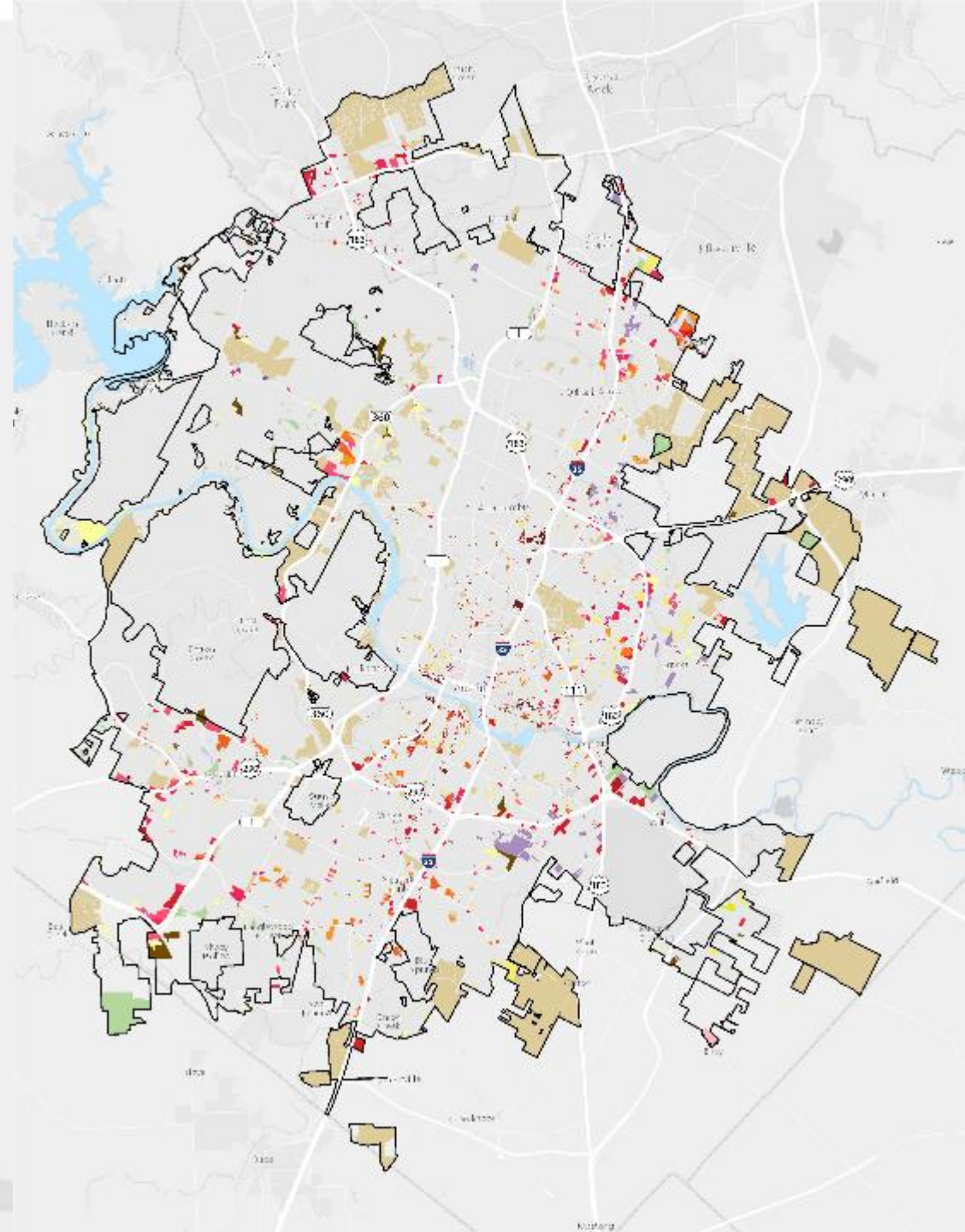
INCLUDE ALL PARCELS WITH
DEVELOPMENT FEASIBILITY

- DRAFT 2 ANALYSIS INCLUDES
COMMERCIAL LANDS THAT NOW
ALLOW RESIDENTIAL MIXED USE



HOUSING

CALIBRATE ENVISION TOMORROW TO
CALCULATE BASED ON NEW ZONING
STANDARDS AND MAP



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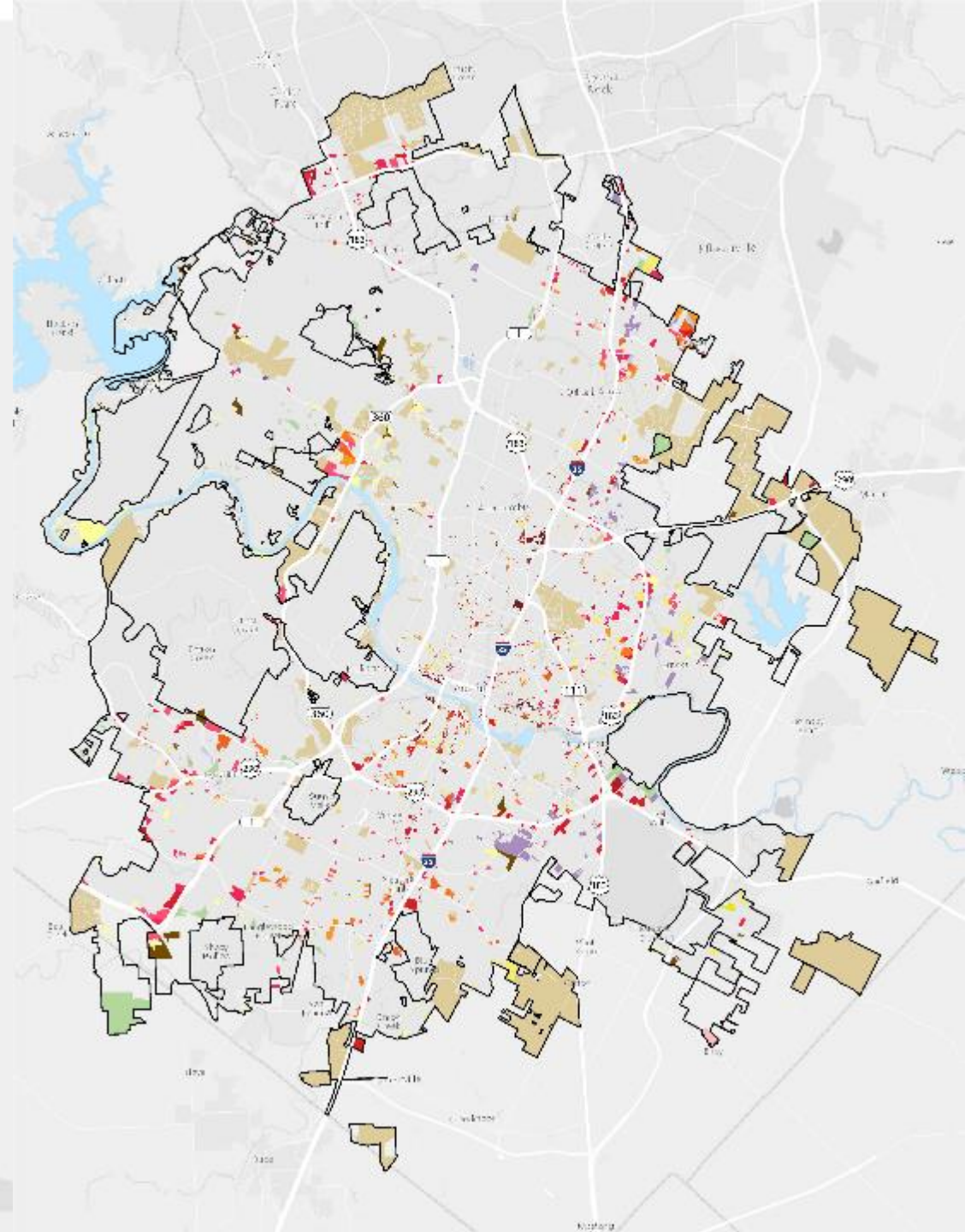
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ADDITIONAL CALIBRATIONS MADE TO MODEL SINCE SEPTEMBER 19-20 BASED ON COMMUNITY FEEDBACK:

- Adjusted “underbuild” of buildings
- Adjusted unit/home sizes that were too large
- Adjusted rent/sale price assumptions that were too high or low

RESULT:

- NET REDUCTION IN TOTAL CAPACITY BY ~5,000 UNITS

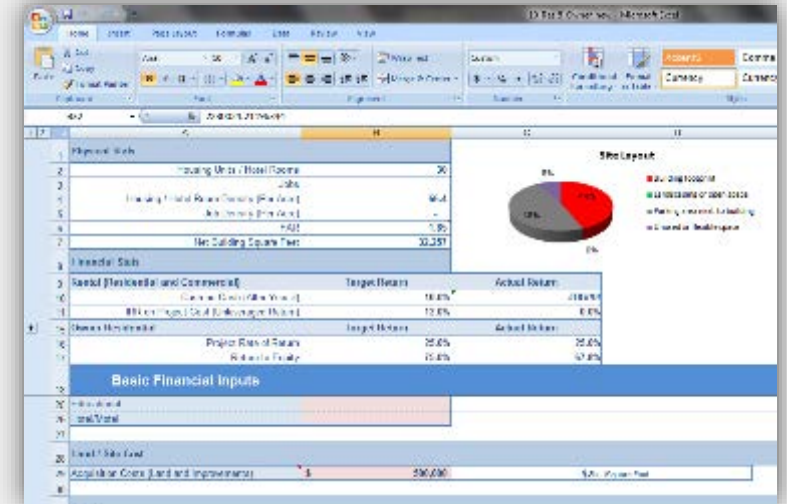


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HOW ARE REPORTED RENTS & SALES PRICES DETERMINED?

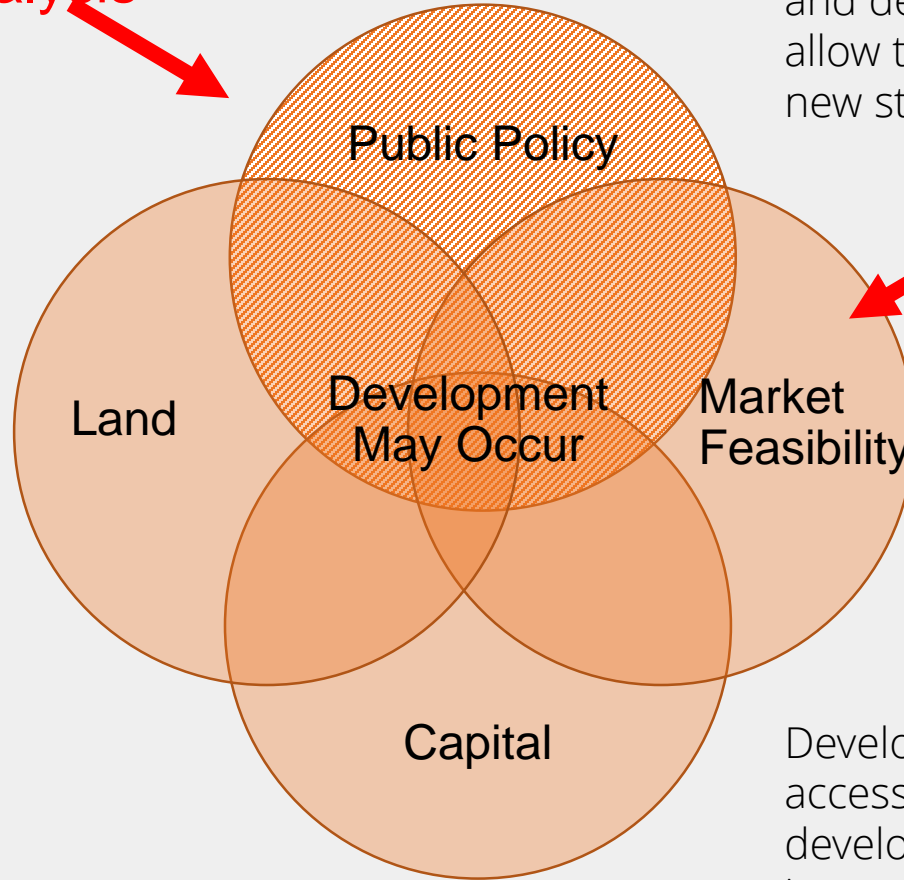
- 81 Buildings calibrated to the Austin Market in the Envision Tomorrow Building Prototyper ROI model
- Each with fixed land costs & construction costs
- Rents/Sales Prices adjusted to provide 12% return-on-investment (ROI)

Actual rents/sales prices may vary by project



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Capacity
Analysis



Policy – including zoning, density, and design requirements – must allow the developer to build a new structure .

Redevelopment
Feasibility

Developers must be able to control sites with reasonable risk and acquisition costs.

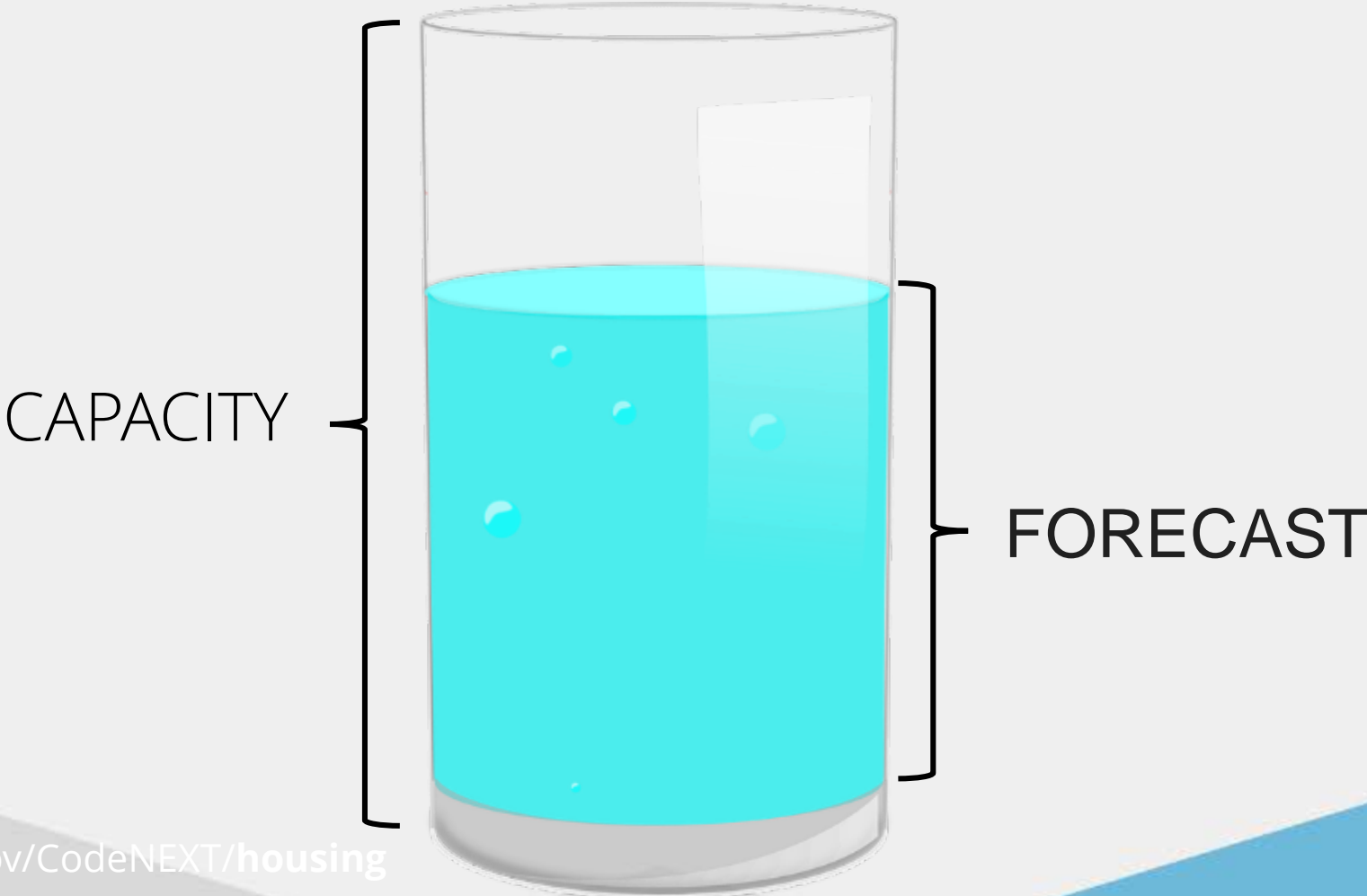
There must be sufficient demand for space such that a developer’s investors anticipate a profitable outcome.

Developers must be able to access the resources for development, including equity investment, bank loans, or other sources of funds.



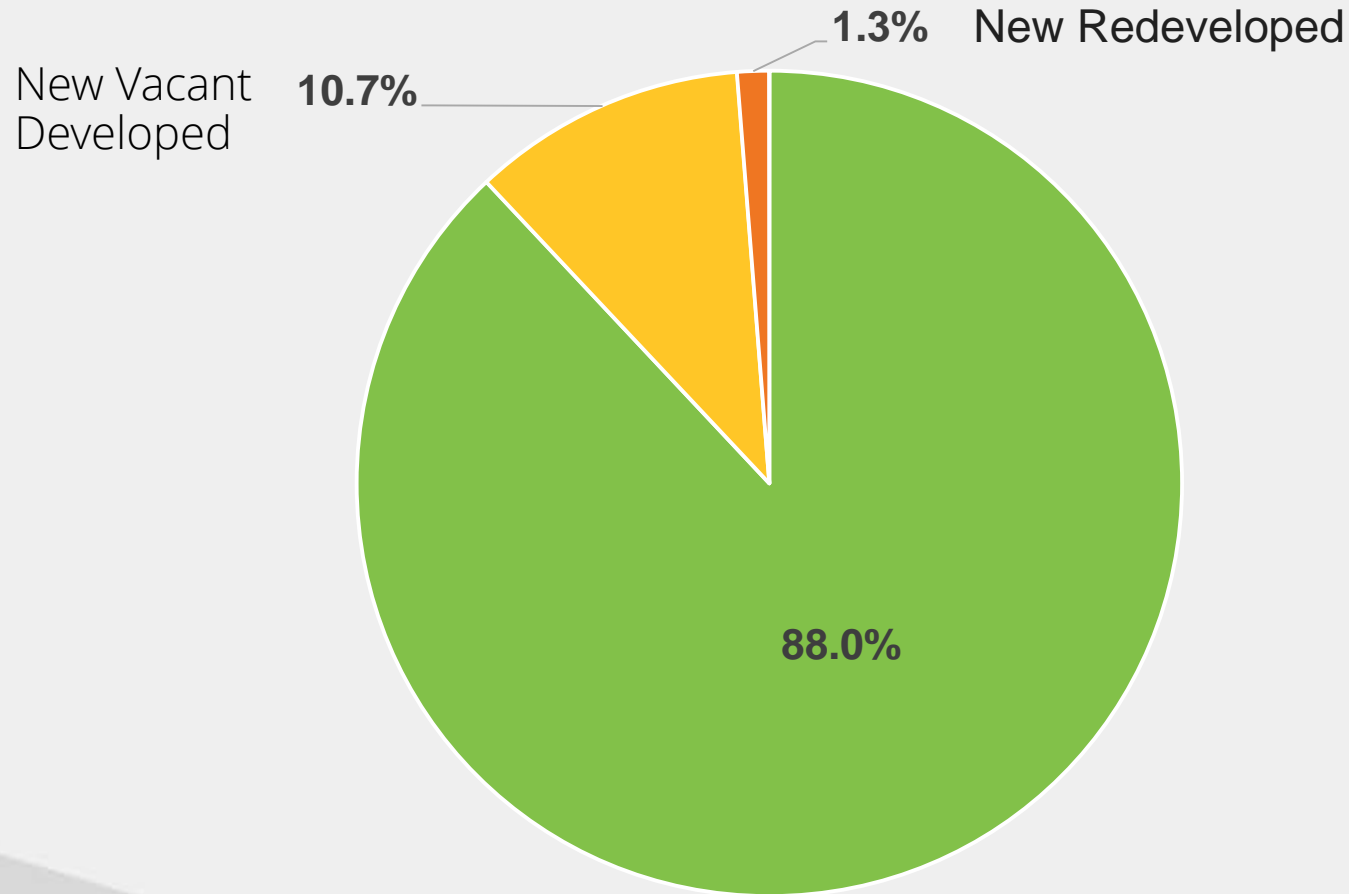
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WHAT IS ZONING CAPACITY VS. A FORECAST?



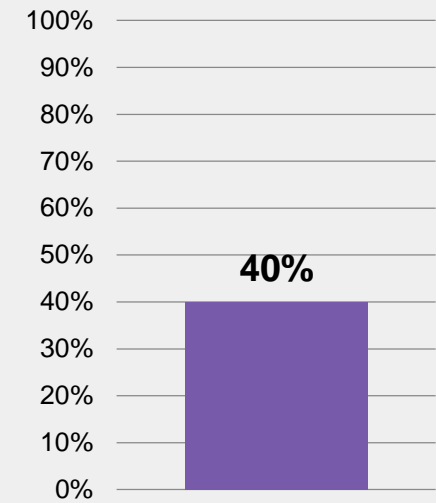
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ACREAGE OF DEVELOPED LAND



NEW VACANT | DEVELOPED

% of Housing Capacity through Redevelopment



~7:1 Replacement

66,691 New Housing Units through the redevelopment of 10,719



■ The Rest of Austin ■ New Vacant Developed Land ■ New Redeveloped Land

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HOUSING CAPACITY ANALYSIS

REPORT CARD



HOUSING

NET NEW HOUSING CAPACITY

Current Code

82,160 HOUSING UNITS



HOUSING

NET NEW HOUSING CAPACITY

Current Code

82,160 HOUSING UNITS

CODENEXT DRAFT 1
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133,395 HOUSING UNITS



HOUSING

NET NEW HOUSING CAPACITY

Current Code

82,160 HOUSING UNITS

CODENEXT DRAFT 1
SHAPING THE AUSTIN WE IMAGINE

133,395 HOUSING UNITS

CODENEXT DRAFT 2
SHAPING THE AUSTIN WE IMAGINE

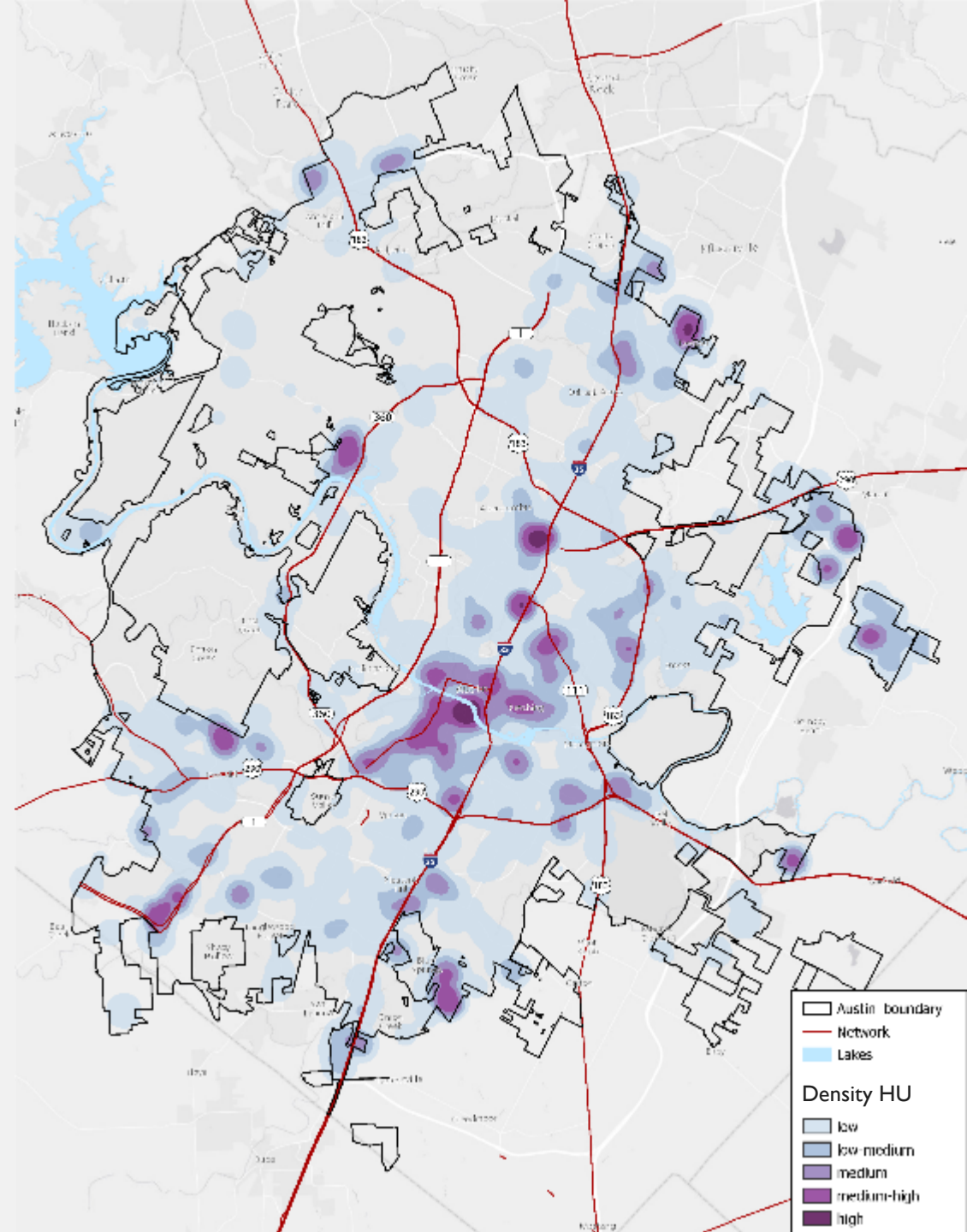
154,745 HOUSING UNITS



WHERE IS THE HOUSING CAPACITY?



DENSITY OF HOUSING CAPACITY CODENEXT DRAFT 2 154,745



HOUSING

OPPORTUNITY AREAS

2013 STUDY CONDUCTED BY:

- CAPCOG
- GREEN DOORS
- KIRWAN INSTITUTE

IDENTIFIES AREAS OF **OPPORTUNITY** BASED ON:

- Education
- Economic
- Mobility
- Housing
- Environment



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The Geography of Opportunity in Austin and How It Is Changing

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Contributors

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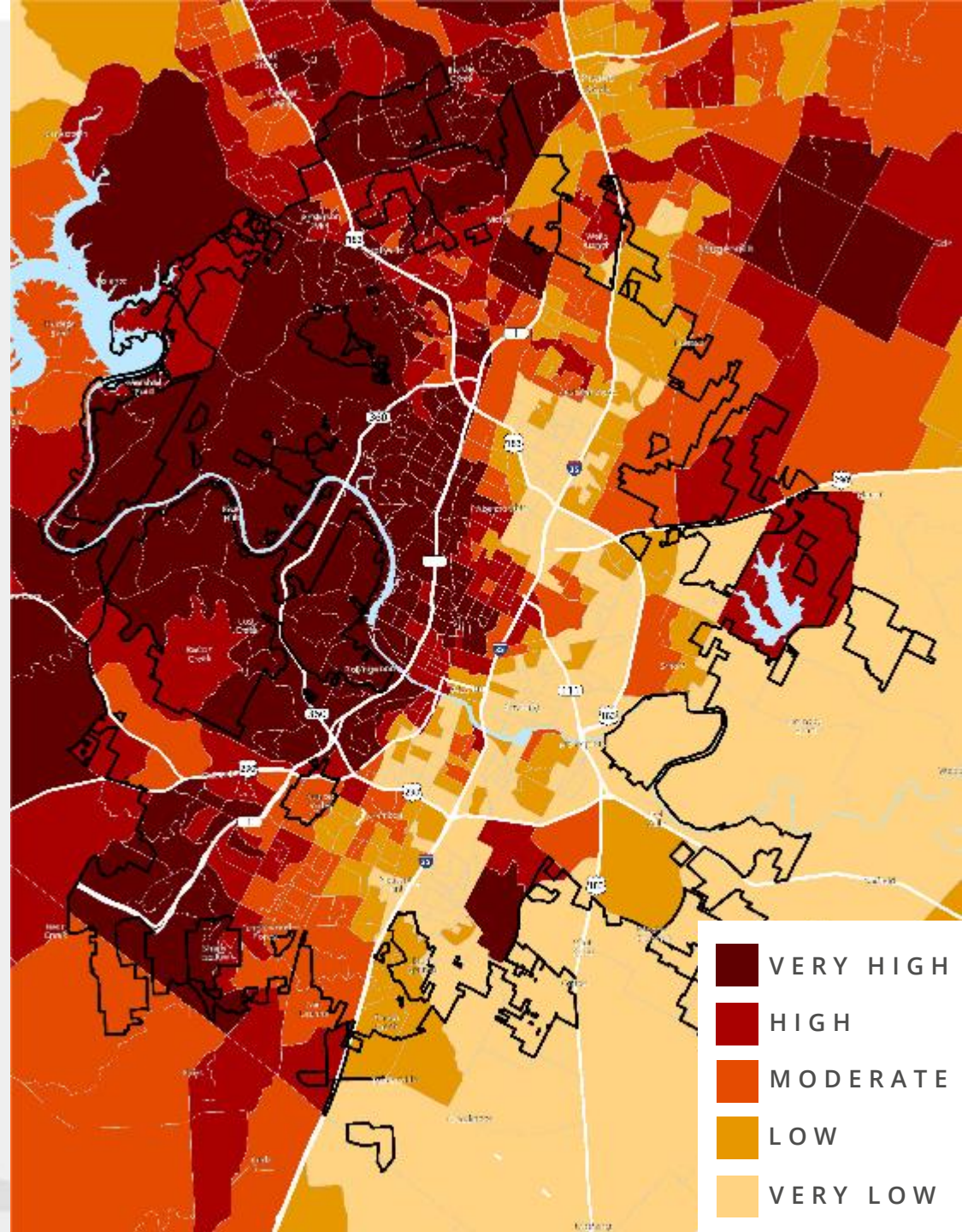
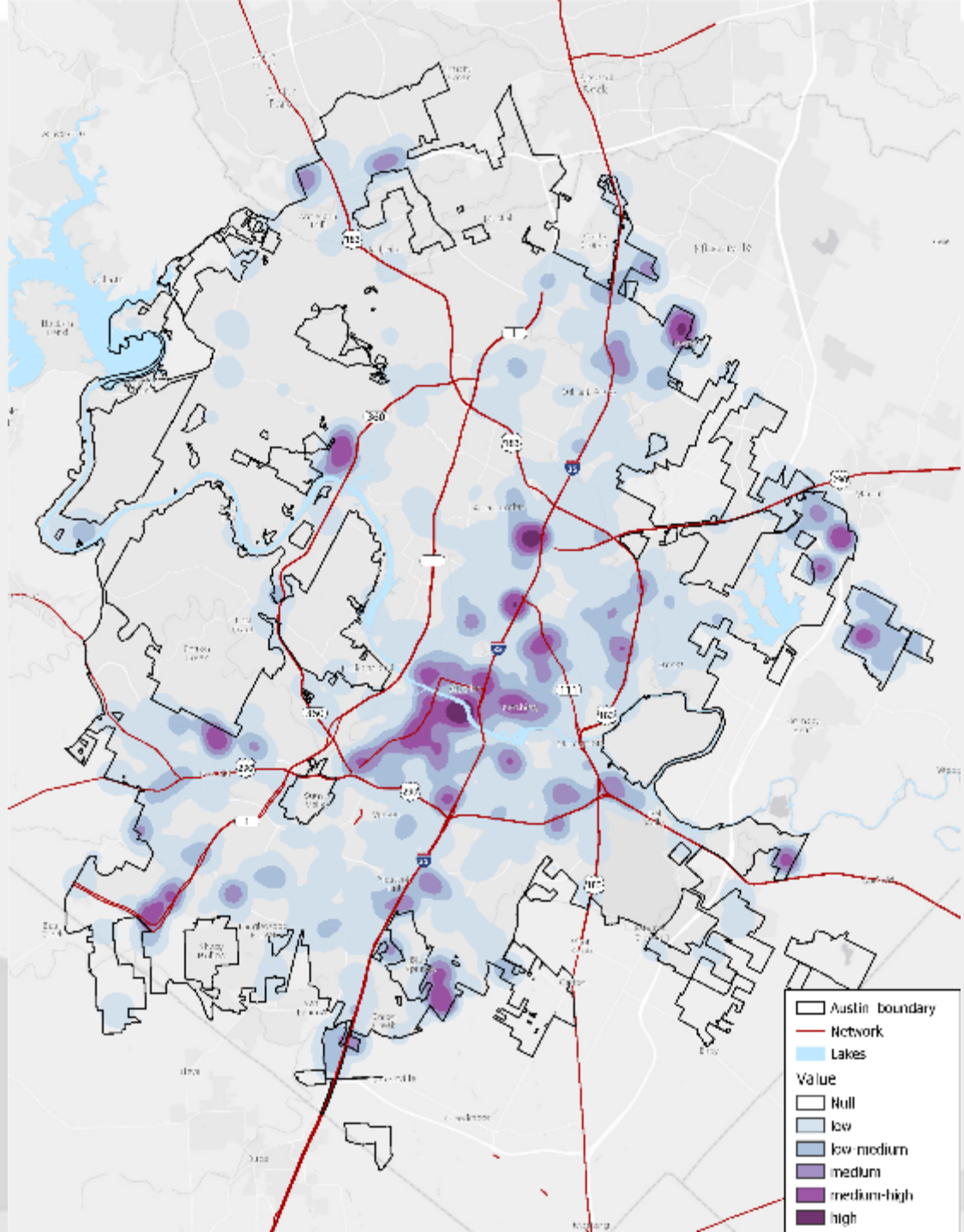
Matt Wolstoncrott, Web Communications Specialist, The Kirwan Institute



Capital Area Council
of Governments



OHIO STATE UNIVERSITY
KIRWAN INSTITUTE
for the Study of Race and Ethnicity



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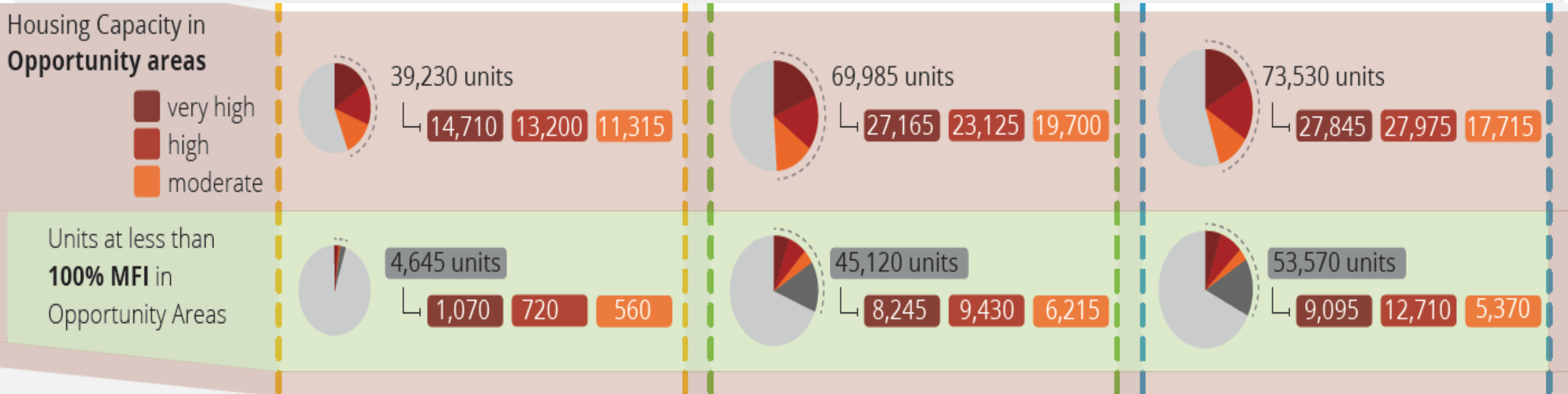
OPPORTUNITY AREAS

HOW MUCH HOUSING CAPACITY IS LOCATED:

IN

VERY HIGH & HIGH & MODERATE

OPPORTUNITY AREAS???



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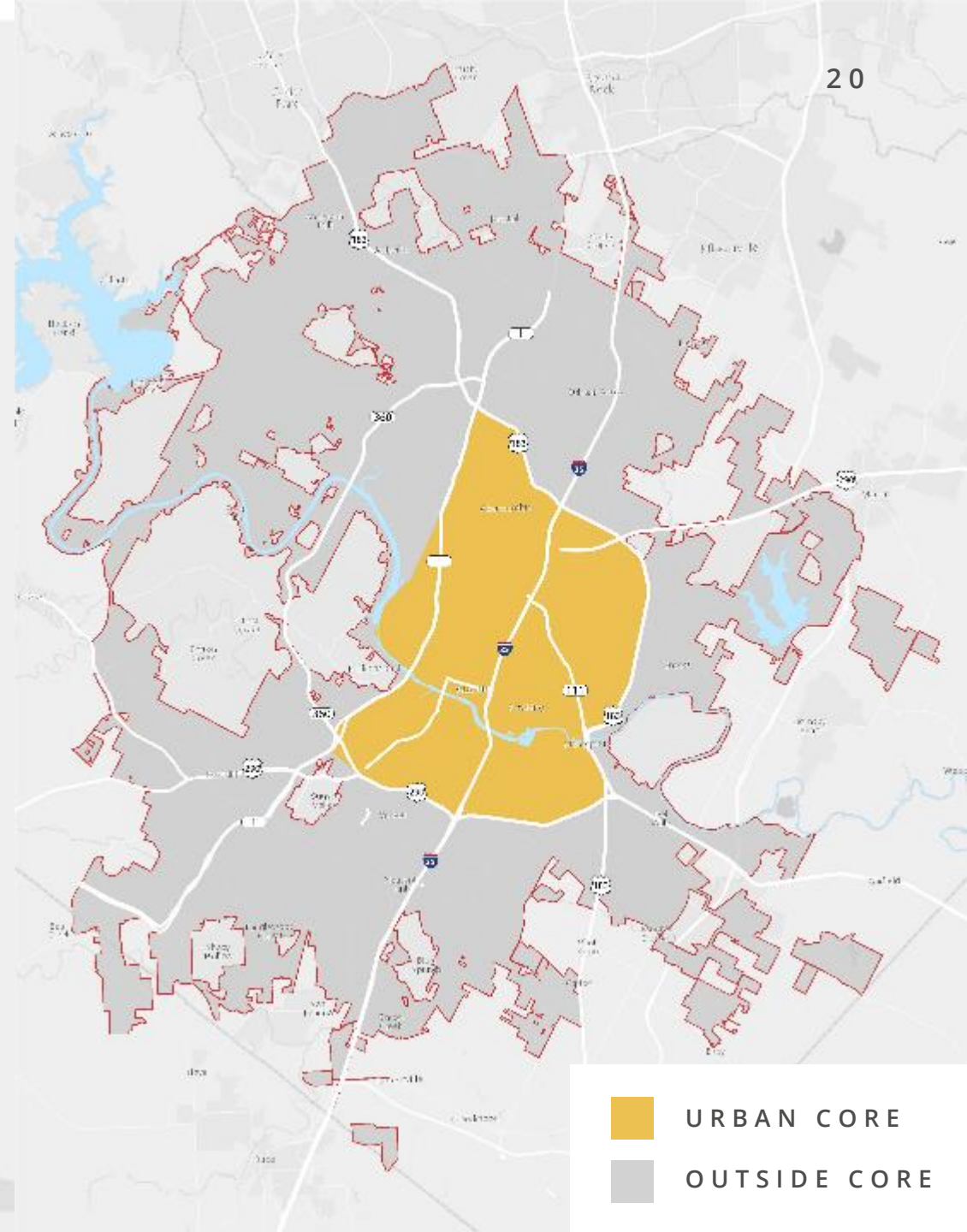
URBAN CORE

HOW MUCH HOUSING CAPACITY IS LOCATED:

IN

THE URBAN CORE??

(NOTE WILL REPEAT WITH OTHER DEFINITIONS OF URBAN CORE)



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URBAN CORE

HOW MUCH HOUSING CAPACITY IS LOCATED:

IN

THE URBAN CORE??

Housing Capacity

outside vs. **within**
urban core urban core

■ share of units at less than **100% MFI**

56,200 units

1,820



33,000 units

2,825

86,895 units

18,250



56,980 units

26,870

95,870 units

20,855



69,590 units

32,715



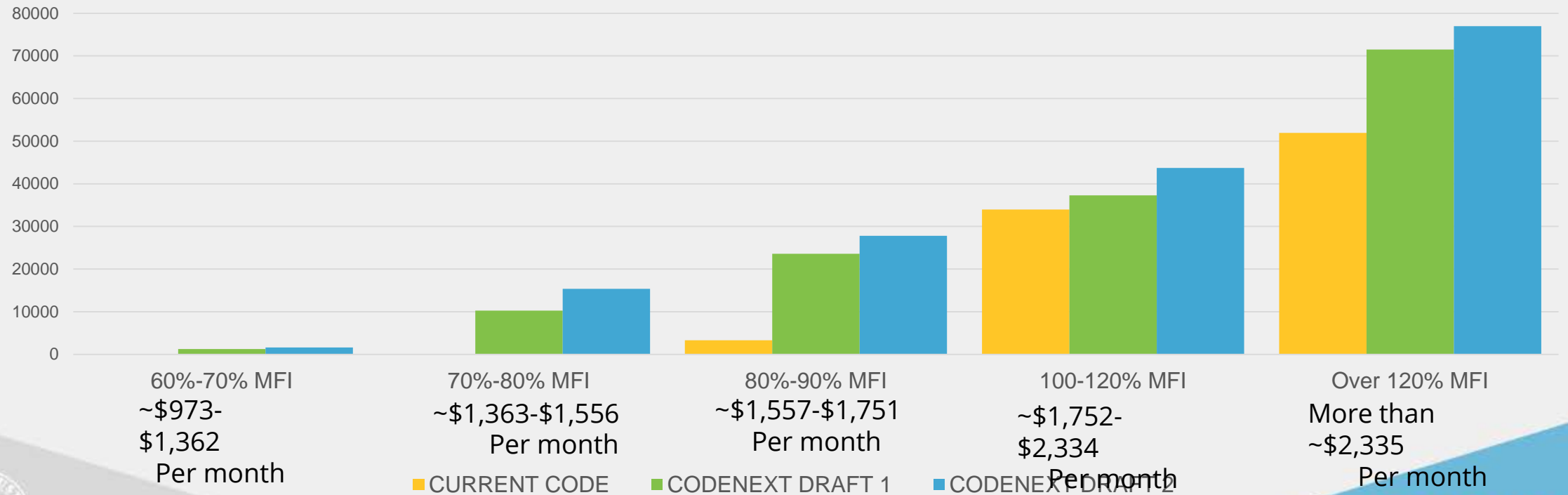
THE BIG REASONS WHY



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MORE ECONOMICAL HOUSING TYPES

NEW HOUSING CAPACITY BY % MEDIAN FAMILY INCOME (MFI) OF A 4-PERSON HOUSEHOLD



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MORE ECONOMICAL HOUSING TYPES

WHAT KIND OF HOUSING TYPES?

MOST OF THE <100% MFI UNIT CAPACITY COMES FROM MULTIFAMILY ZONES CLOSE TO IMAGINE AUSTIN CENTERS AND CORRIDORS



Mixed-use, block form development



Rowhouse & townhome development



Housing in multi-unit developments



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MISSING MIDDLE HOUSING

HOW MUCH HOUSING CAPACITY IS IN MISSING MIDDLE HOUSING TYPES???



CODENEXT DRAFT 1
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CODENEXT DRAFT 2
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Current Code

6,390

21,050

35,075

7% OF TOTAL

15% OF TOTAL

21% OF TOTAL

Monthly rents/mortgage payments ranging from ~\$1,000 - \$2,600 based on building type and location



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AFFORDABLE HOUSING BONUS PROGRAM

*HOW MUCH HOUSING CAPACITY IS THERE FOR
AFFORDABLE HOUSING BONUS PROGRAM UNITS???*

ESTIMATES NOT AVAILABLE FOR CODENEXT DRAFT 1

CODENEXT DRAFT 2
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Current Code

~1,450 HOUSING UNITS

*ESTIMATED IN THE
**STRATEGIC HOUSING
BLUEPRINT** BASED ON
CURRENT BONUS UPTAKE*

~5,000 HOUSING UNITS

*BASED ON ENVISION
TOMORROW HOUSING
CAPACITY ESTIMATES &
ECONW PROPOSED BONUS
CAPACITY ESTIMATES*



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CODENEXT

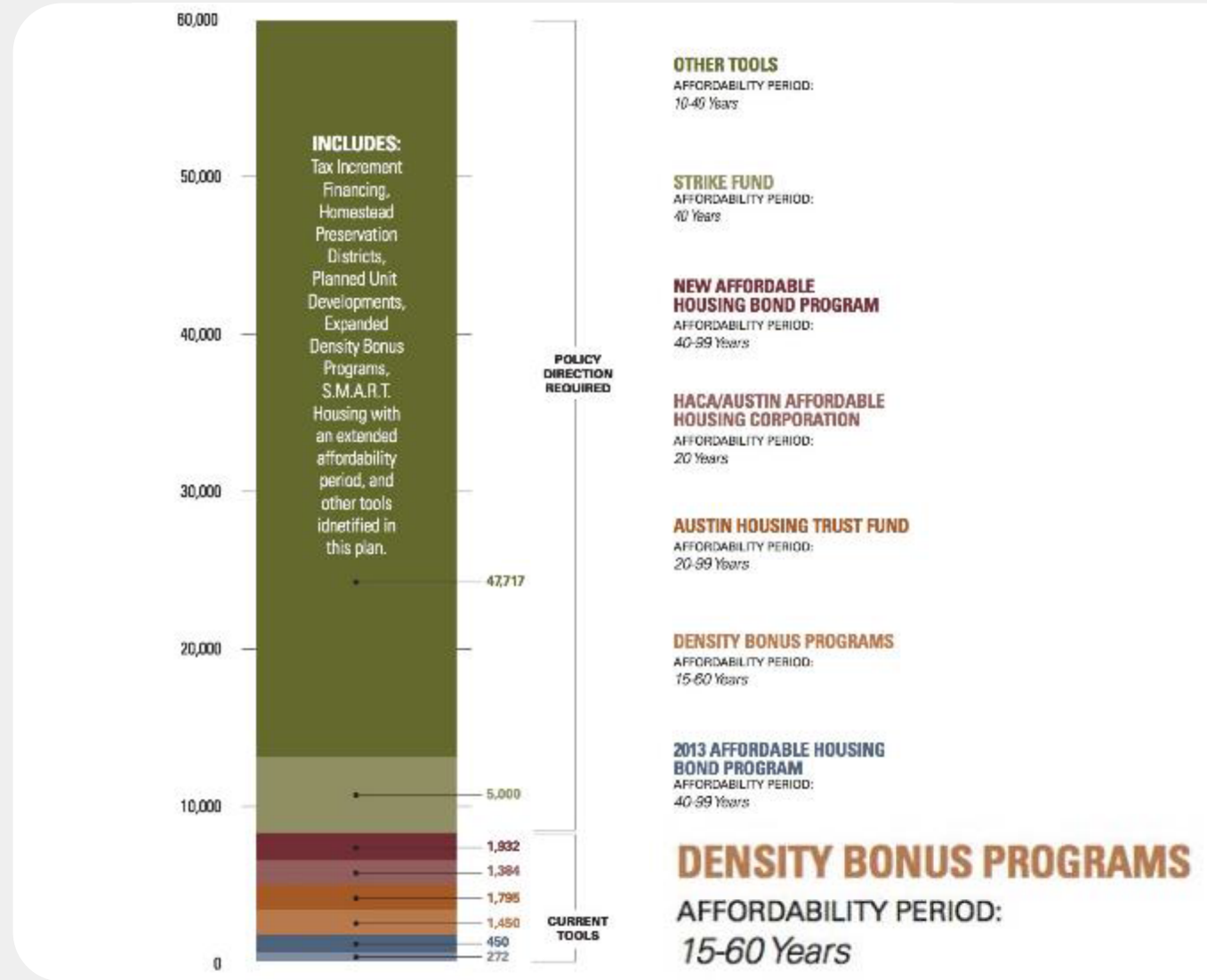
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CODENEXT GETS US CLOSER TO THE BLUEPRINT GOALS

More Zoning Capacity makes it easier to achieve the Blueprint Goals

While it opens the door, the rest of the Blueprint Program has to be implemented to deliver the units



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Estimates of Redeveloping Affordable Apartments And tools to preserve them



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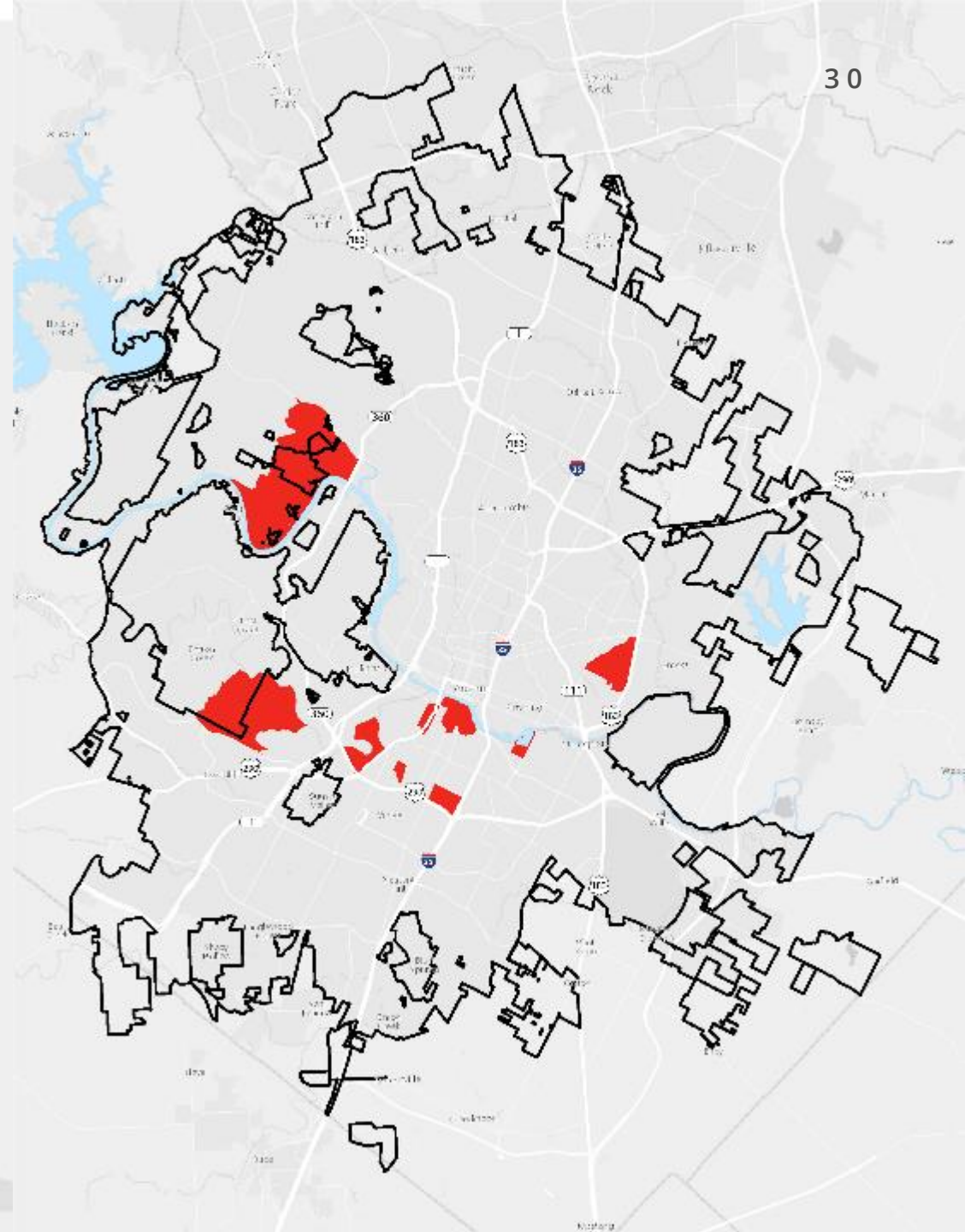
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REDEVELOPMENT RISK

CODENEXT DRAFT 2 ESTIMATES SHOW MORE THAN:

**10,000 EXISTING HOUSING UNITS
AT RISK OF REDEVELOPMENT**

Some of which are market affordable
apartments

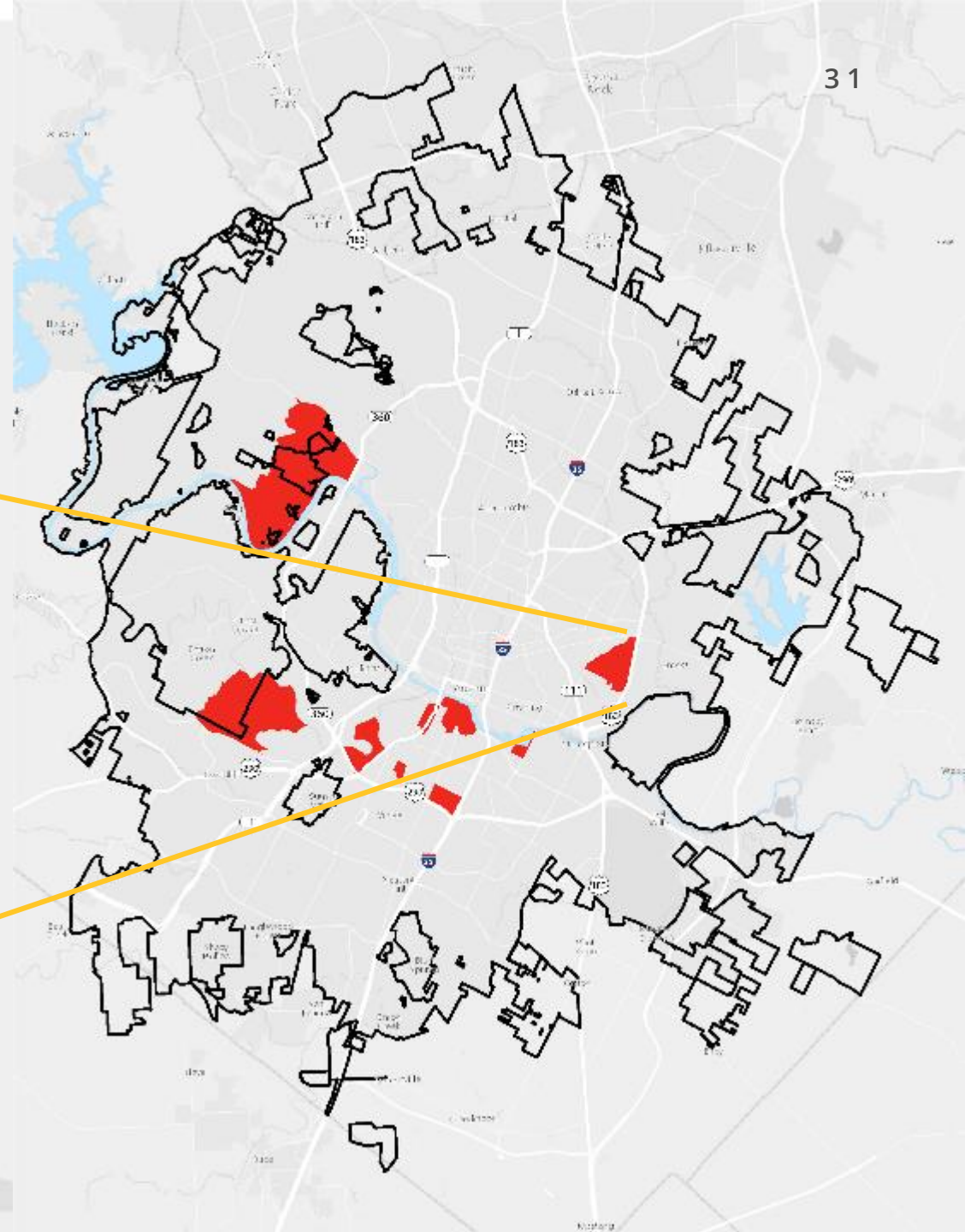
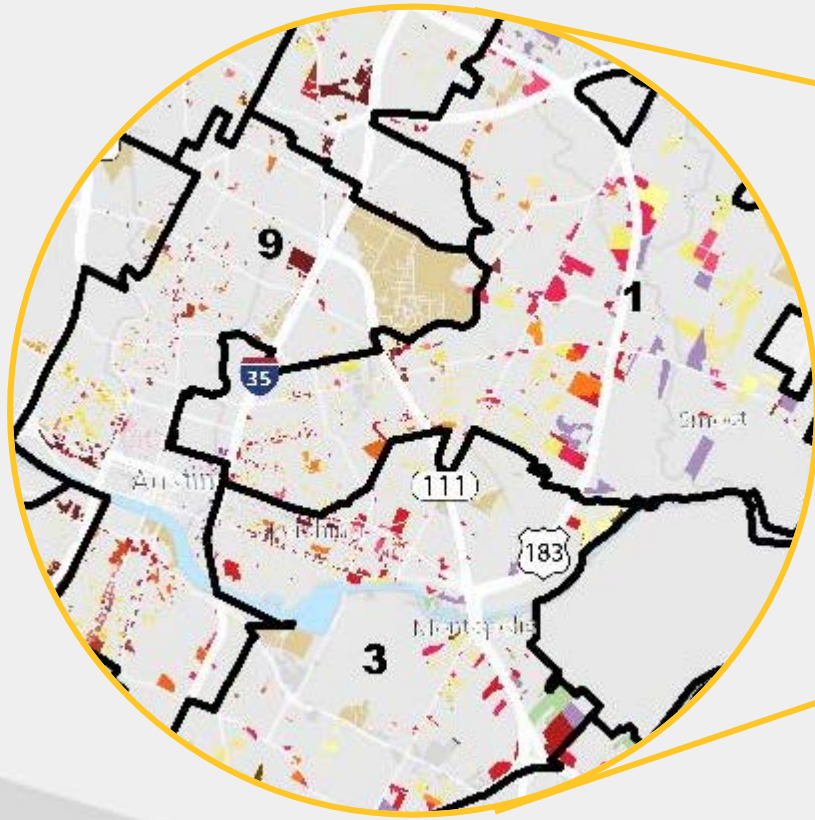


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REDEVELOPMENT RISK

EXAMPLES OF AFFORDABLE APARTMENTS AT RISK OF REDEVELOPMENT



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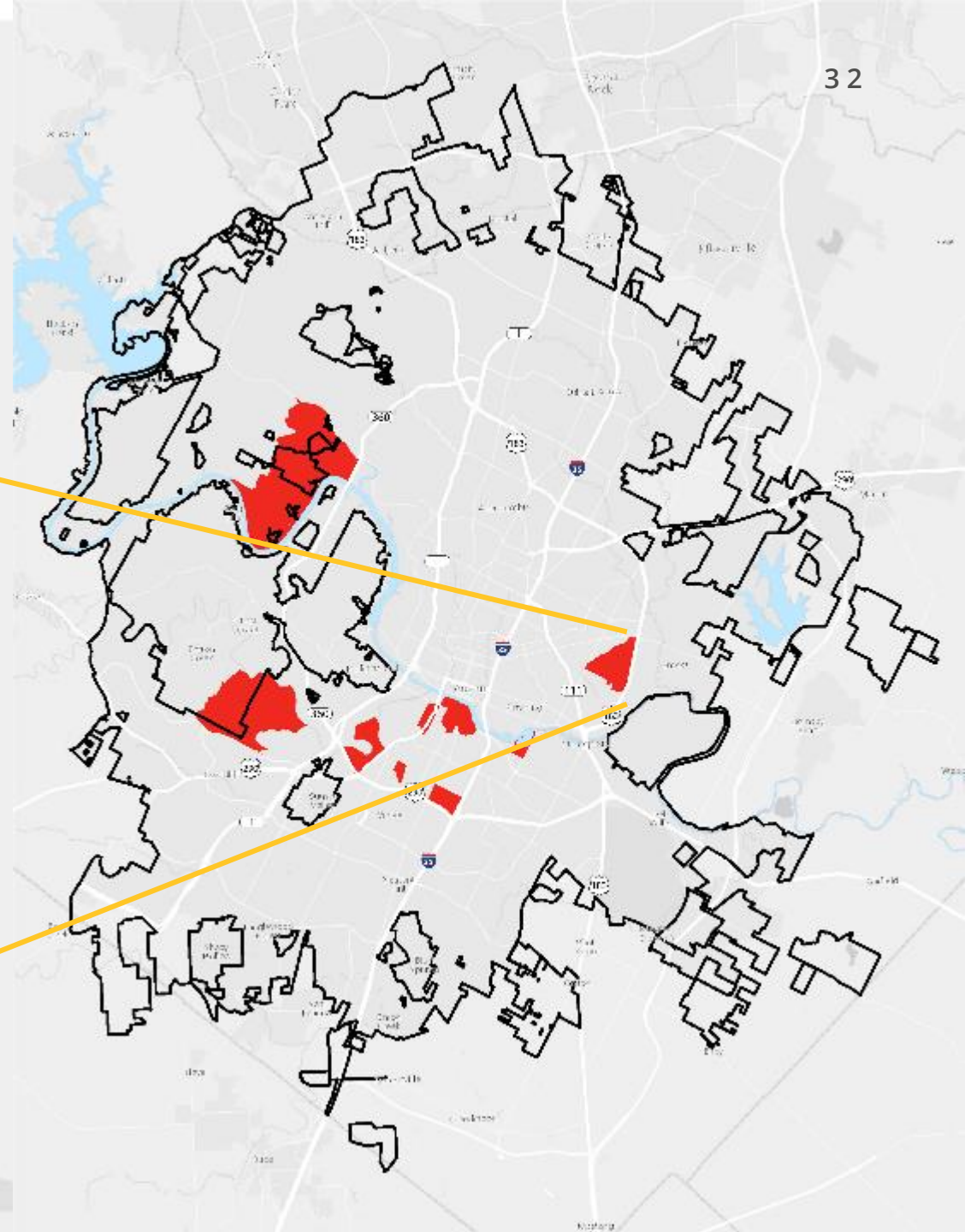
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REDEVELOPMENT RISK

EXAMPLES OF AFFORDABLE APARTMENTS AT RISK OF REDEVELOPMENT

**CURRENTLY
ZONED: MF-2**

**CODENEXT
ZONE: RM2A**

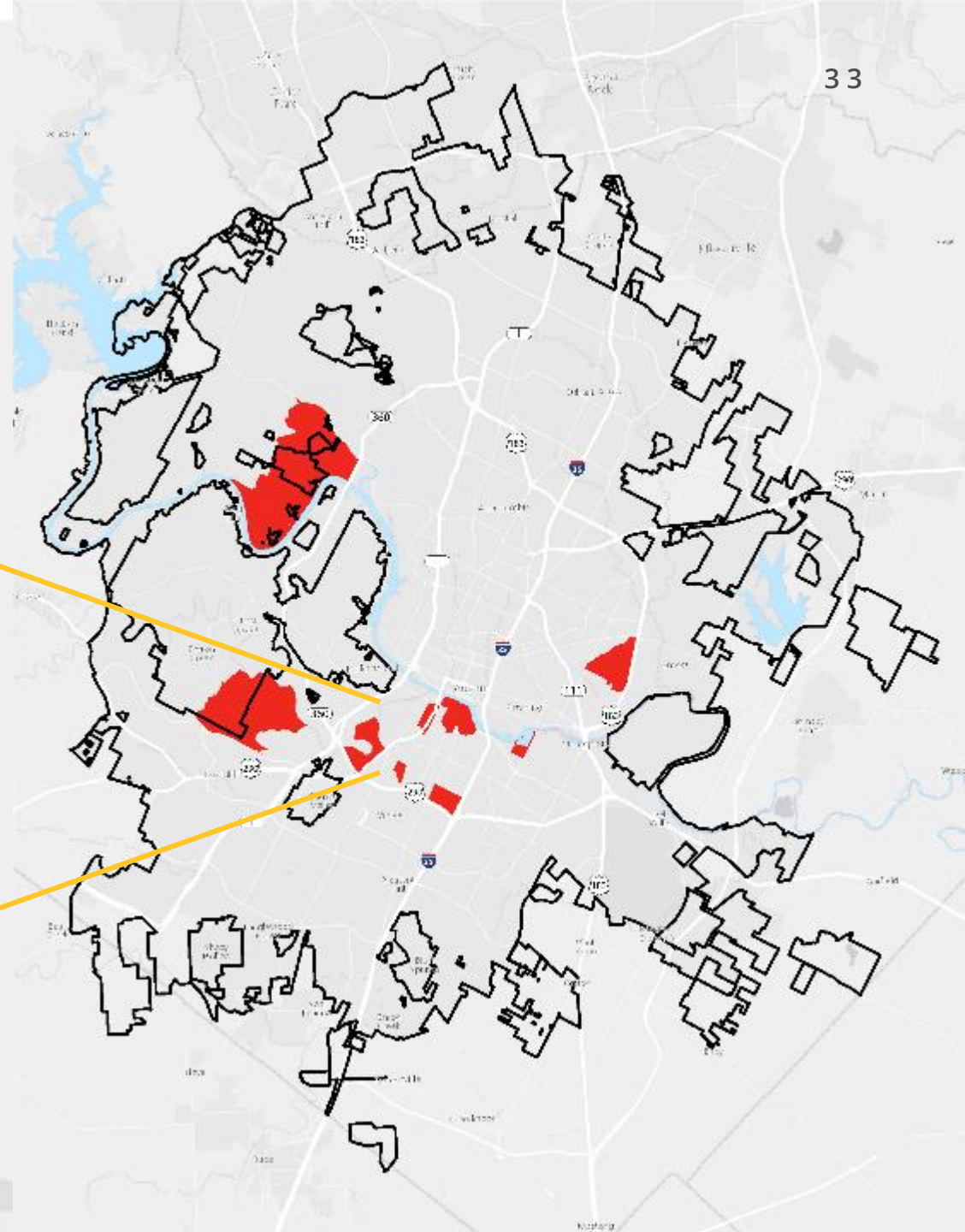
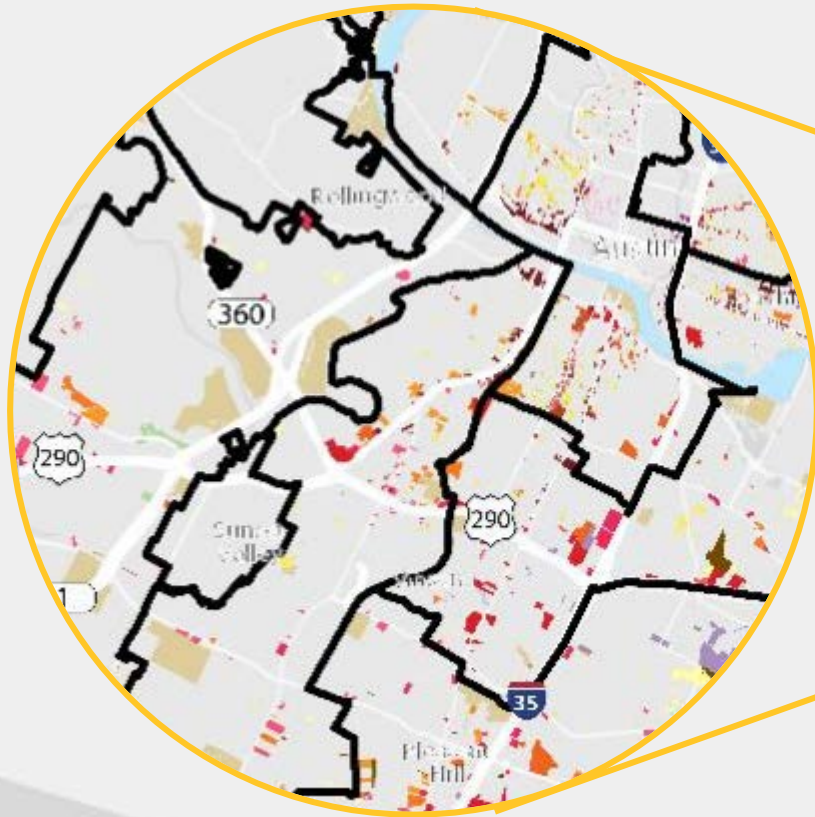


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REDEVELOPMENT RISK

EXAMPLES OF AFFORDABLE APARTMENTS AT RISK OF REDEVELOPMENT



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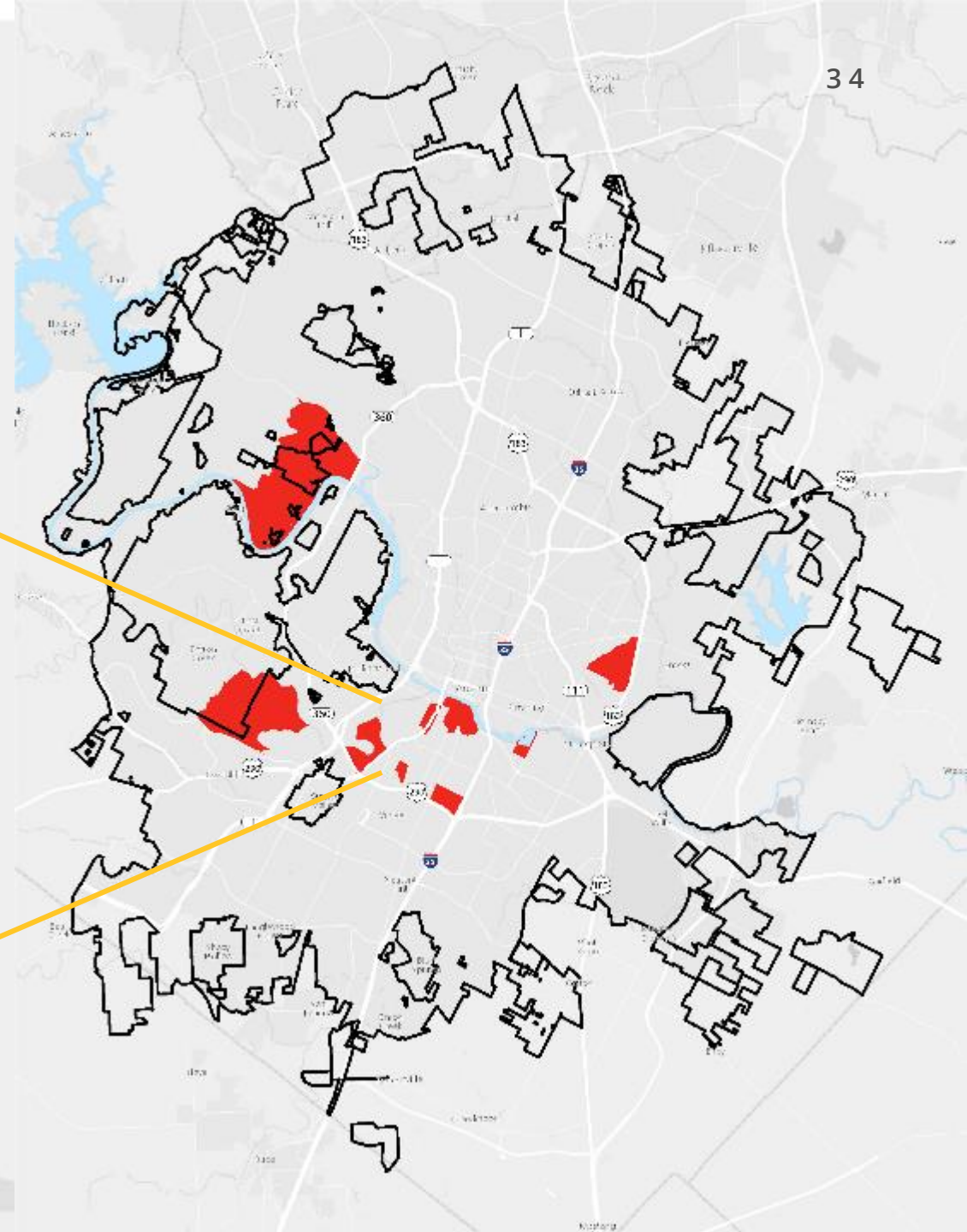
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REDEVELOPMENT RISK

EXAMPLES OF AFFORDABLE APARTMENTS AT RISK OF REDEVELOPMENT

**CURRENTLY
ZONED: MF-4**

**CODENEXT
ZONE: RM3A**



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REDEVELOPMENT RISK

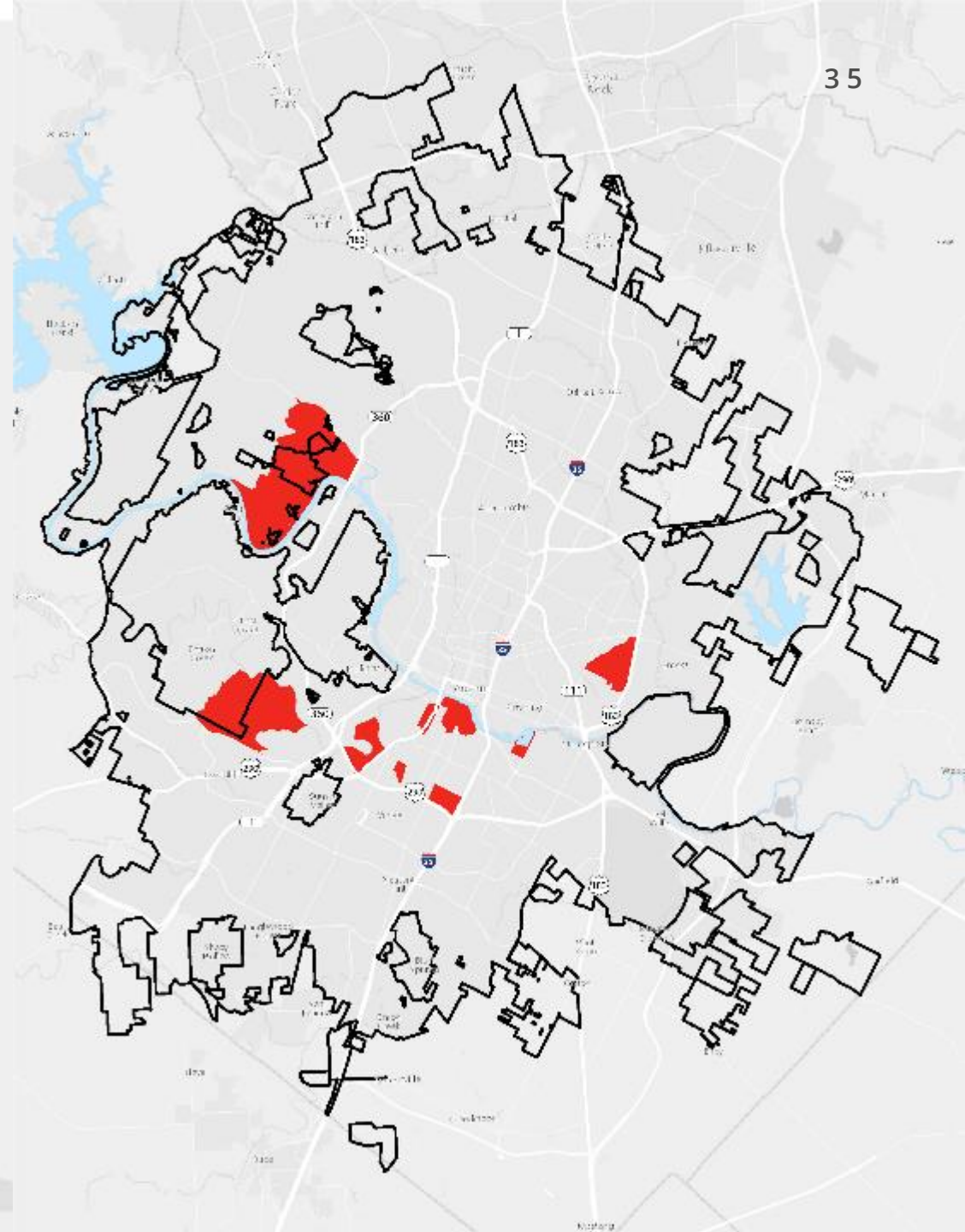
Code Next does not appear to increase the development entitlement for this small sample

We will do a through review of the properties that contain the affordable units and see if we can alter zoning to reduce redevelopment pressure

The intent of the Draft 2 rezoning was to match the current entitlement



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HOUSING CAPACITY ANALYSIS

AFFORDABLE HOUSING BONUS PROGRAM



WHO NEEDS HOUSING THAT'S AFFORDABLE ?



HOUSEHOLDS BELOW POVERTY LEVEL

Including Seniors and Persons with Disabilities

Less than \$11,770
per year for an individual

People living below poverty level including those 65 years of age or older, people with physical, developmental, and mental disabilities who live on a fixed income such as Social Security

CURRENTLY =
24,068
HOUSEHOLDS



LOW-WAGE WORKERS

Less than \$26,900
per year for an individual
Less than 50% Median Family Income

Childcare providers, nurses aides, bus drivers, retail sales people, cashiers, cooks, custodians, visual/performance artists

CURRENTLY =
83,631
WORKERS



LOW-INCOME FAMILIES

\$38,400 - \$61,450
per year for a family of four
50% to 80% Median Family Income

Medical assistants, bookkeepers, social workers, elementary school teachers, electricians, plumbers, paralegals, teachers' aides

CURRENTLY =
68,262
FAMILIES



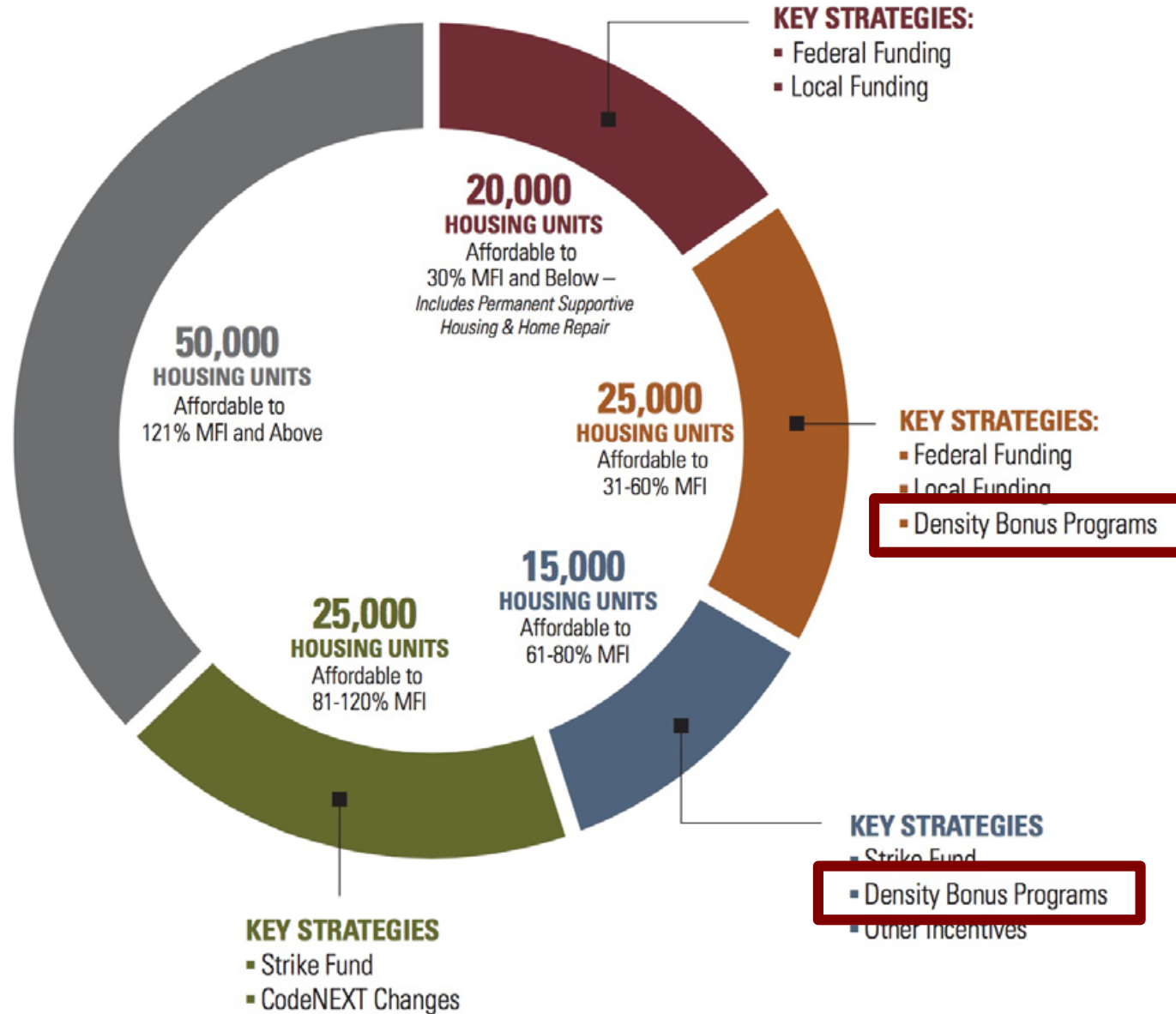
MODERATE-INCOME FAMILIES

\$61,450 - \$92,150
per year for a family of four
80% to 120% Median Family Income

Teachers, public safety workers, nurses, database administrators, architects, physical therapists, computer programmers, dental hygienists

CURRENTLY =
66,527
FAMILIES

Great Need For Affordable Housing



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Overview of existing density bonus programs

- Additional building height or units allowed *in exchange for* providing community benefits.
- Austin has 10 density bonus programs in different sectors of the city.
 - Each program was created separately and possesses unique requirements, incentives, and community benefits.
- Partial List of Density Bonus / Incentive Programs
 - Vertical Mixed Use
 - S.M.A.R.T. Housing
 - Downtown Density Bonus
 - University Neighborhood Overlay
 - Transit Oriented Developments (Saltillo, Martin Luther King, & Justin/Lamar)
 - North Burnet Gateway
 - East Riverside Corridor
 - South Central Waterfront, Planned Unit Developments & other specific area programs

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Existing Density Bonus Programs

City of Austin Development Incentive Programs
Current as of April 2017

Model	Applicability	Development Bonus or Incentive	Min. % Required Affordable	Maximum MFU		Affordability Period		Original Fee in Law (FLC)	Fee Adjustment Schedule	Year Introduced	Most Recent Amendment	Original Ordinance	Local Development Code Reference	Housing Choice Voucher Provision	Notes
				Owner	Rental	Owner	Rental								
Downtown Density Bonus	Eligible properties within downtown	Up to height and FAR limits shown on eligibility map	10 bonus square feet for each 1 square foot of on-site affordable space	100%	100%	10 years	10 years	\$3 to \$10 bonus square foot for residential projects only, depending on location. No fee for non-residential projects	Fee is adjusted annually in accordance with CPI + 1	2013		Ordinance No. 2013007-101	§ 25-2-508	No	Water district excluded. Fee in law revenue dedicated to be further approaches for the community benefits.
East Riverside Corridor	Within the East Riverside Corridor (ERC) zoning district	FAR. Height up to 100' in some locations	1 bonus square foot for each 1 square foot of on-site affordable space	100%	100%	10 years	10 years	\$10 bonus sq. ft. for buildings over 10,000 sq ft in law option under RC	Fee to be reviewed every 5 years or an inflation index	2013		Engineering Plan	§ 25-2-118	No	
Micro-Unit Density Bonus	Applies to multifamily use in TOD or transit corridor where unit is 500 sq ft or less	Min. site area requirement is 20,000 sq ft. Total parking requirement is 0.25, and parking is to be set aside for 200 units. Site area requirement is 20,000 sq ft.	10% of owner-occupied units or 20% of total units	100%	100%	10 years	10 years	None	None	2014		Ordinance No. 2014011-001	§ 25-2-780	No	
North Burnam Gateway	MFU district developments that utilize a density bonus	FAR. Height up to 240'	10% of bonus area	100%	100%	10 years	10 years	\$7.1 bonus sq. ft.	Fee is adjusted annually in accordance with CPI	2009		Ordinance No. 2009022-030	§ 25-2-118	No	For residential, 100% of fee in law goes to housing. For a commercial or mixed use - 50% of fee to a community benefits fund.
PUD (Planned Unit Development)	PUD developments that utilize a density bonus	Height, FAR, building coverage	10% of the total units or rental habitable square footage, 5% of the owner-occupied units or owner-occupied habitable square footage	100%	100%	10 years	10 years	\$8.1 bonus sq. ft. OR land donation in 10% FC	Fee is adjusted annually in accordance with CPI	2008	Ordinance No. 2011003-001	Ordinance No. 2008018-001	§ 25-2-Subchapter B, Article 2.5	Yes	PUDs are governed by both the overarching PUD Ordinance as well as ordinances set for each individual PUD
Rainey Street	Rainey Street District near downtown	Density bonus ordinance	5%	100%	100%	none	none	None	None	2009	Ordinance No. 2009002-014	Ordinance No. 2009002-014	§ 25-2-728	Yes	
S.M.A.R.T. Housing	Within city limits	Eligible for fee waiver, expedited review	10% of units	100%	100%	1 year	3 years	None	None	2007	Ordinance No. 2007118-001	Ordinance No. 2007118-001	§ 25-1-701	No	Up to 40% affordability provides 100% of eligible fee waivers approx \$2,000 per unit SF and \$1000 per unit MF. Other standards for S.M.A.R.T. Housing MFU, CLT, or CRODNU
SMART Housing Single-Family ("Greenfield") Density Bonus	Single family residence sited in SF-2 district, or family residence (SF-3) district. Applies to single family residence sited in SF-4N district.	If development may comply with single-family residence sited in SF-4N district site development regulations if the development is in three or more acres of previously undeveloped land, and a S.M.A.R.T. Housing certified.	10% of units	100%	100%	1 year	3 years	None	None	2008		Ordinance No. 2008027-011	§ 25-2-508	No	
SMART Housing Multi-Family ("Greenfield") Density Bonus	Undeveloped land zoned MF-2 through MF-6	Use of MF-6 site development standards. Landscape, impervious cover, utility FAR, etc. Height limited to 80'	10% (owner-occupied), 5% (owner-unit)	100%/100%	100%	10 years	10 years	None	None	2008		Ordinance No. 2008027-011	§ 25-2-507	No	
TOD (Transit Oriented Development)	Within designated TODs in city area	TOD Station Plan Goals. (No requirement for year of 20% units)	10% or 10% of total square footage	100%	100%/100%	10 years	10 years	\$7.1 bonus sq. ft. if approved by Council	Fee is adjusted annually in accordance with CPI	2009		Ordinance No. 2009022-013	§ 25-2-788.02	No	Affordability goals established by specific regulating and station area plans
UNO (University Neighborhood Overlay) projects submitted for review Prior to February 24, 2014	Area Campus UNO district. Plan is February 24, 2014	Flexible standards available for height, setbacks, impervious cover, building coverage, FAR, compatibility, parking. (please see website for height bonus details)	10% units	100%	100%	10 years	10 years	None	Fee is fixed	2004	Ordinance No. 20140213-001	Ordinance No. 2004022-001	§ 25-2-768	No	Must meet S.M.A.R.T. Housing standards. 10% of 80% MFU is required. Additional height bonus available for developments that also provide 10% of units at 30% MFU, or 10% to 30% MFU.
UNO (University Neighborhood Overlay) projects submitted for review After February 24, 2014	Area Campus UNO district	Flexible standards available for height, setbacks, impervious cover, building coverage, FAR, compatibility, parking. (please see website for height bonus details)	10% units	100%	100%	10 years	10 years	\$7.1 bonus sq. ft. of net habitable floor area in the multi-family residential use or gross residential use. Fee is a	Fee is fixed	2014		Ordinance No. 20140213-001	§ 25-2-768	Yes	
VMU (Vertical Mixed Use)	VMU developments that utilize the "transitional and parking exemption"	Reduced site area requirements, FAR, building/impervious cover, setbacks, parking	10% (owner-unit), 5% (owner-unit)	100%/100%	100%	10 years	10 years	None (Fee amount for commercial space above ground floor pending)	None	2010	Ordinance No. 2010008-001	Ordinance No. 2010008-001	§ 25-2-Subchapter B, Article 5.2	No	Check each site ordinance for retail MFU (i.e. 80% + 80%)

©2017 AMARC. The contents of this table are intended to provide a business overview of programs and established policies as requested. While the City of Austin uses reasonable efforts to provide accurate and up-to-date information, some of the information provided may be subject to change without notice. If fees in law is dedicated to low-income housing fund.



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Overview of proposed citywide Affordable Housing Bonus Program (AHBP)

To be allowed to build bonus area on a site:

Housing developers must:

1. Provide units at 60% MFI for rental or 80% MFI for ownership, OR
2. Build at least an equal number of affordable units offsite within a maximum distance, or
3. Pay a fee-in-lieu of providing affordable units into the Trust Fund (with approval)

For commercial developers (mixed-use /hotel/office): Pay a fee-in-lieu into the Trust Fund

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Overview of proposed citywide Affordable Housing Bonus Program (AHBP)

- Available to residential and commercial developments (office, mixed-use, hotel) in specific CodeNEXT zones
- Offered in more locations than current bonuses and bonuses still offered in all locations with current bonuses
- Consolidates the city's differing bonus programs into a more cohesive tool within the land used code, instead of distributed in different areas of the city with separate rules and criteria.
- Calibrate bonuses to meet specific zoning requirements of different areas in the City, which will help to incentivize the creation of affordable housing—while not penalizing developers for building smaller units—and encourage diverse communities in high-opportunity areas.

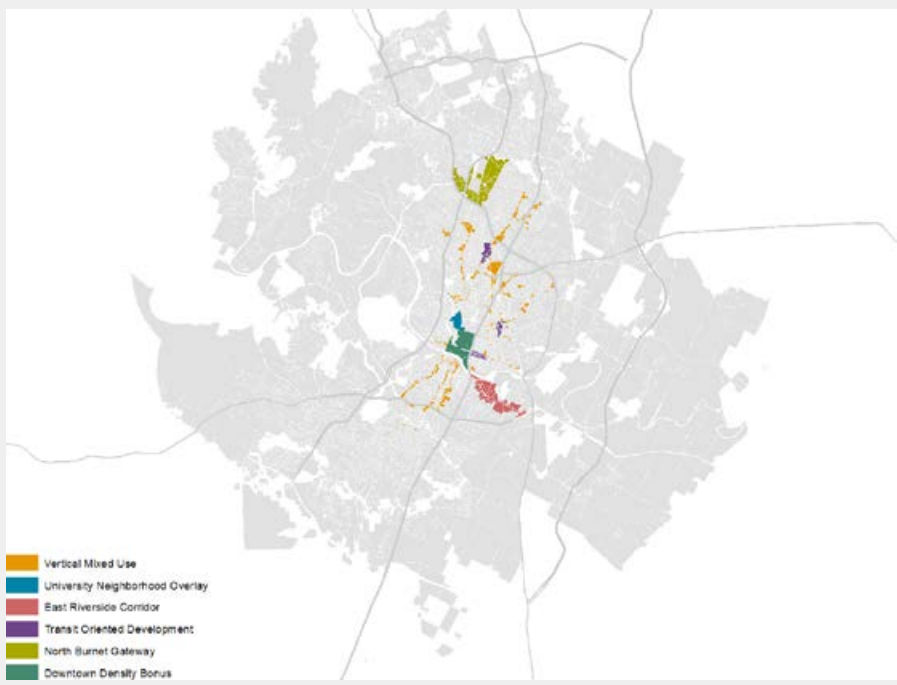
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Overview of density bonus programs & Code 2.0 Affordable Housing Benefit Program

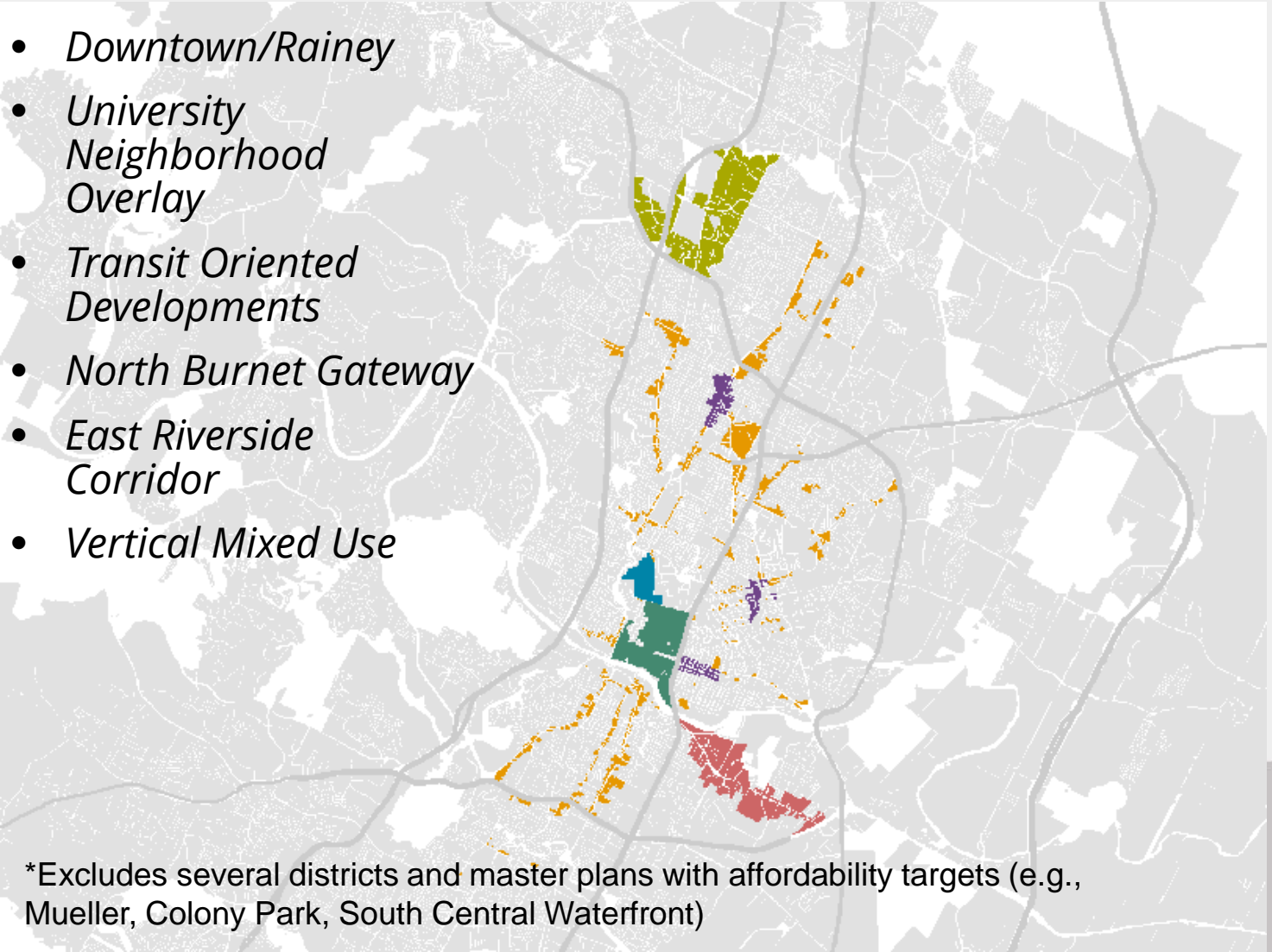
- Existing programs incorporated into new code in new citywide Affordable Housing Bonus Program
 - Vertical Mixed Use
 - S.M.A.R.T. Housing
- Existing programs brought into new code, but not in new citywide Affordable Housing Bonus Program
 - Downtown Density Bonus
 - University Neighborhood Overlay
- Existing Programs not included in new citywide Affordable Housing Bonus Program
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 - North Burnet Gateway
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 - South Central Waterfront, Planned Unit Developments & other specific area programs

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Existing Density Bonus Areas*



Acres: ~6,200



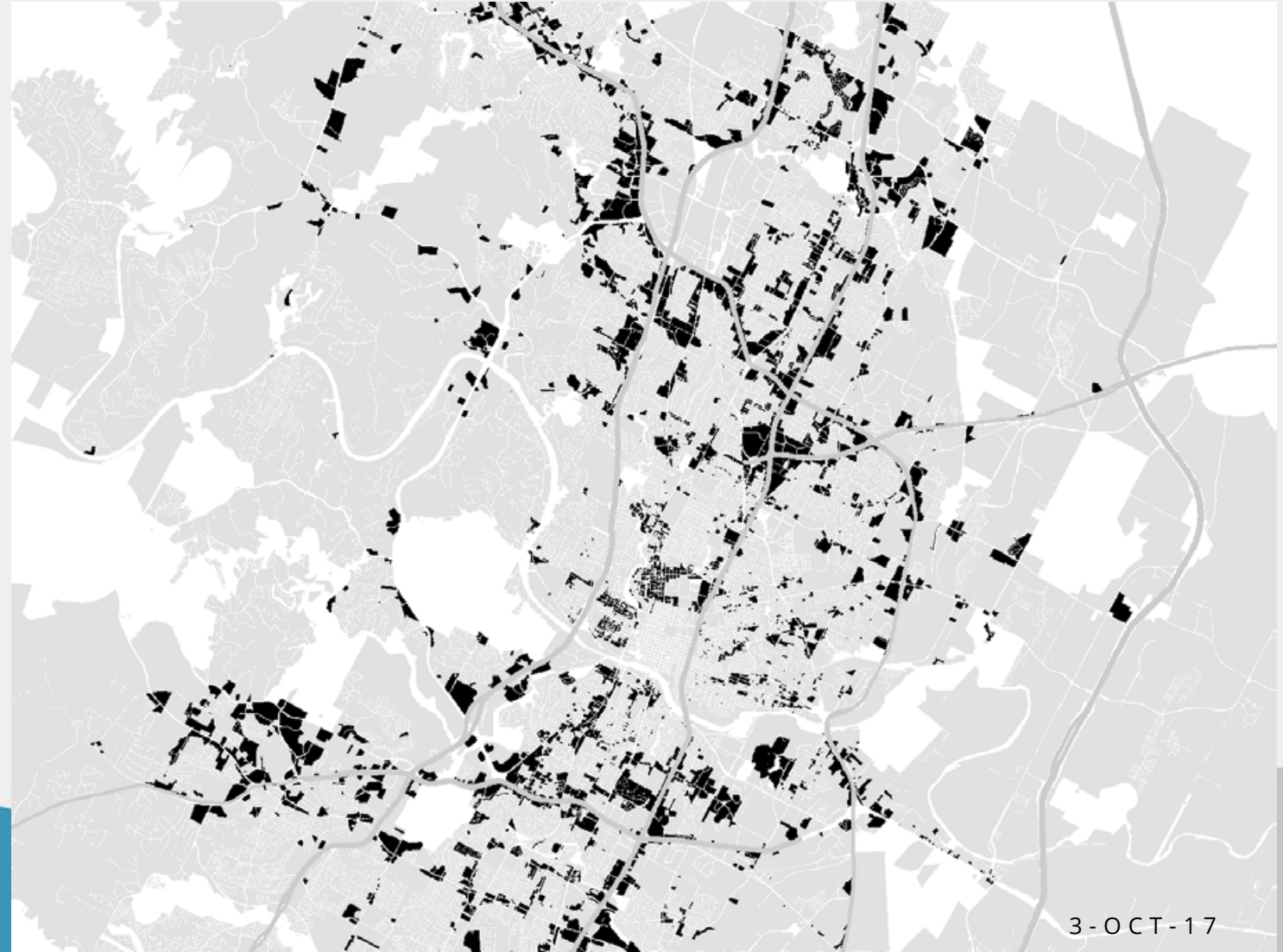
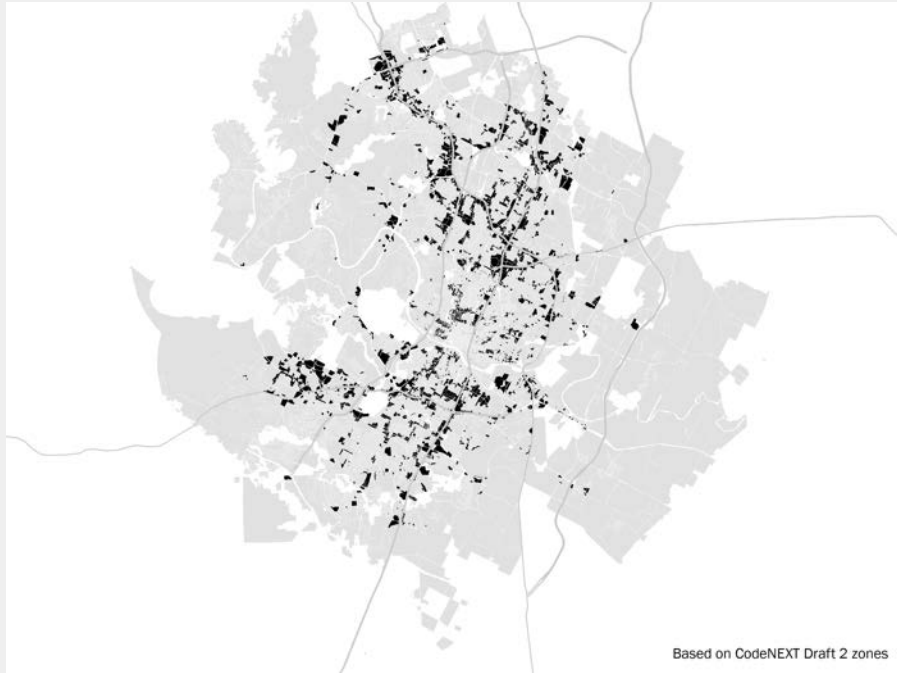
- *Downtown/Rainey*
- *University Neighborhood Overlay*
- *Transit Oriented Developments*
- *North Burnet Gateway*
- *East Riverside Corridor*
- *Vertical Mixed Use*

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*Excludes several districts and master plans with affordability targets (e.g., Mueller, Colony Park, South Central Waterfront)

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DRAFT 2: PROPOSED BONUS AREAS



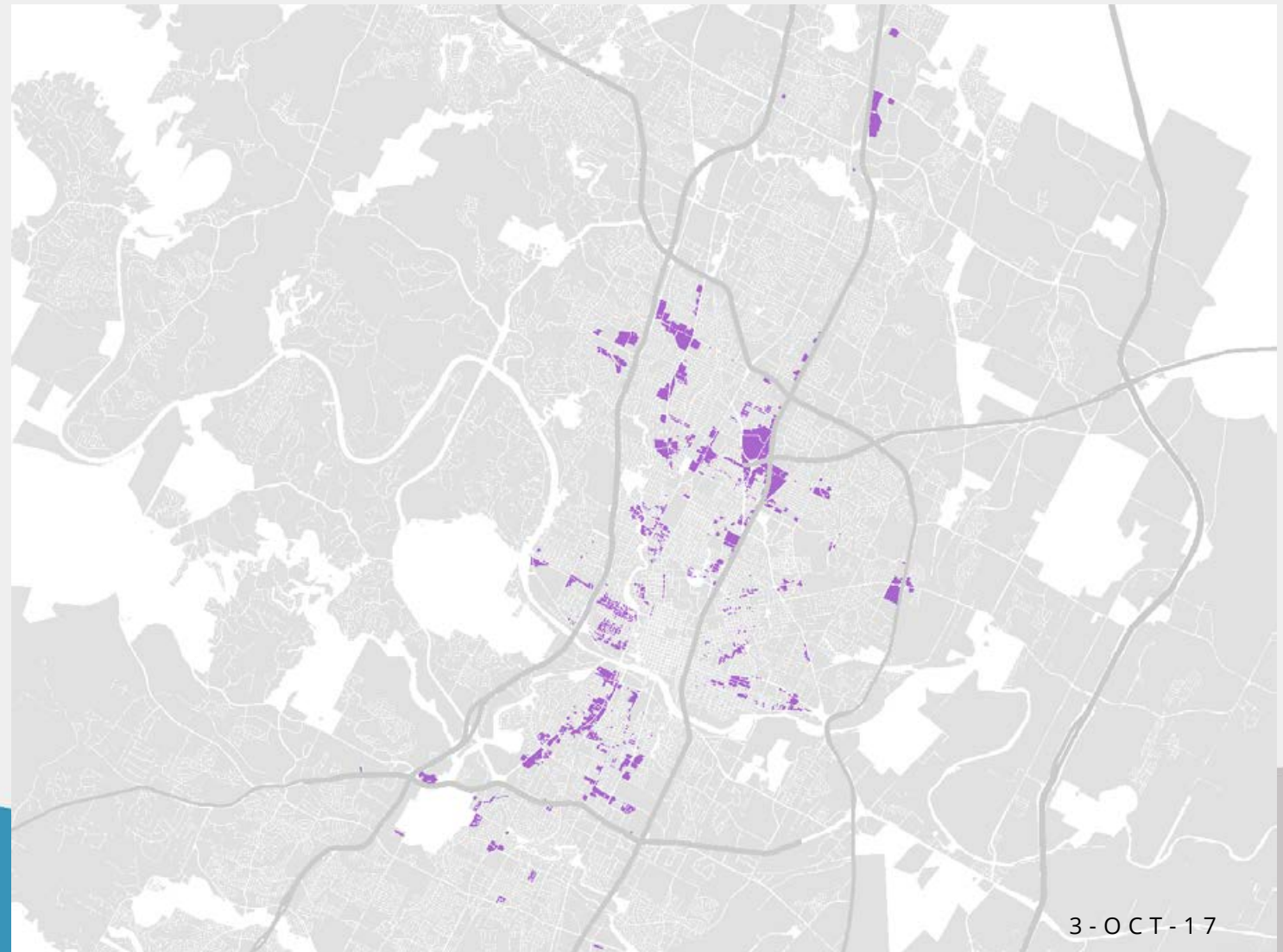
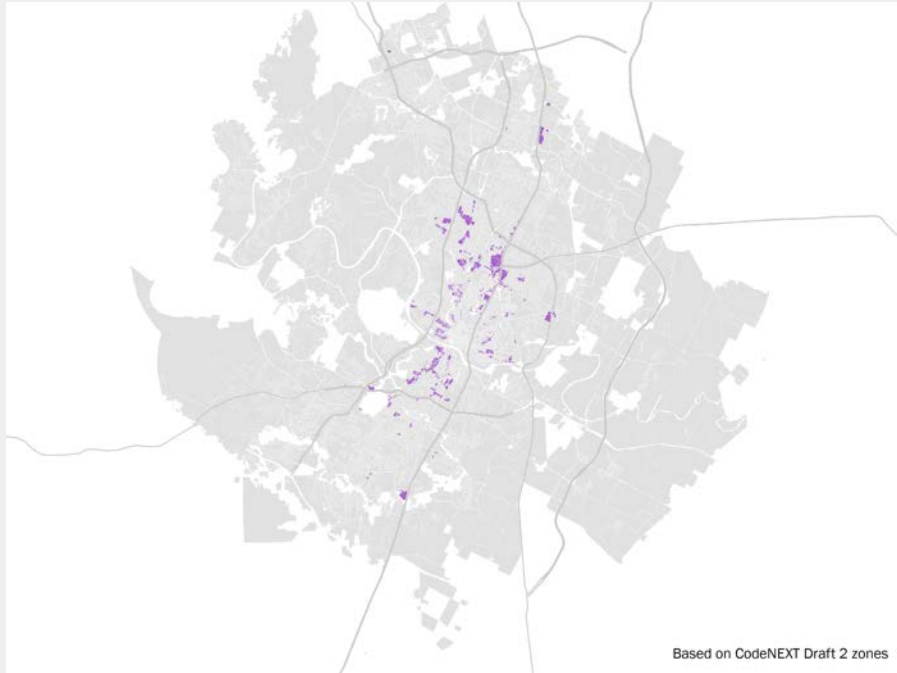
Acres: ~18,500



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HOUSING

DRAFT 2: MAPPED AREA WITH **HEIGHT** BONUSES



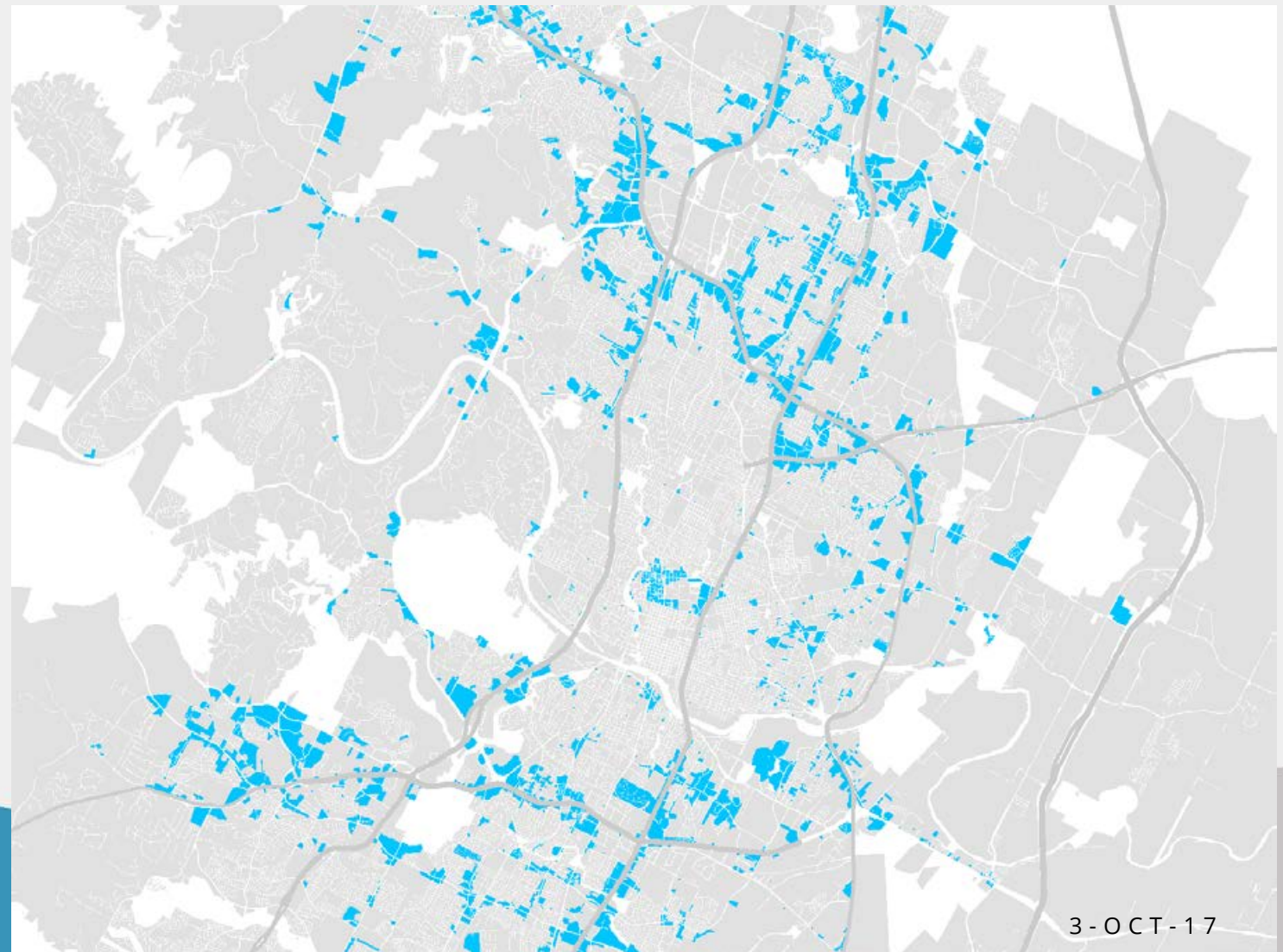
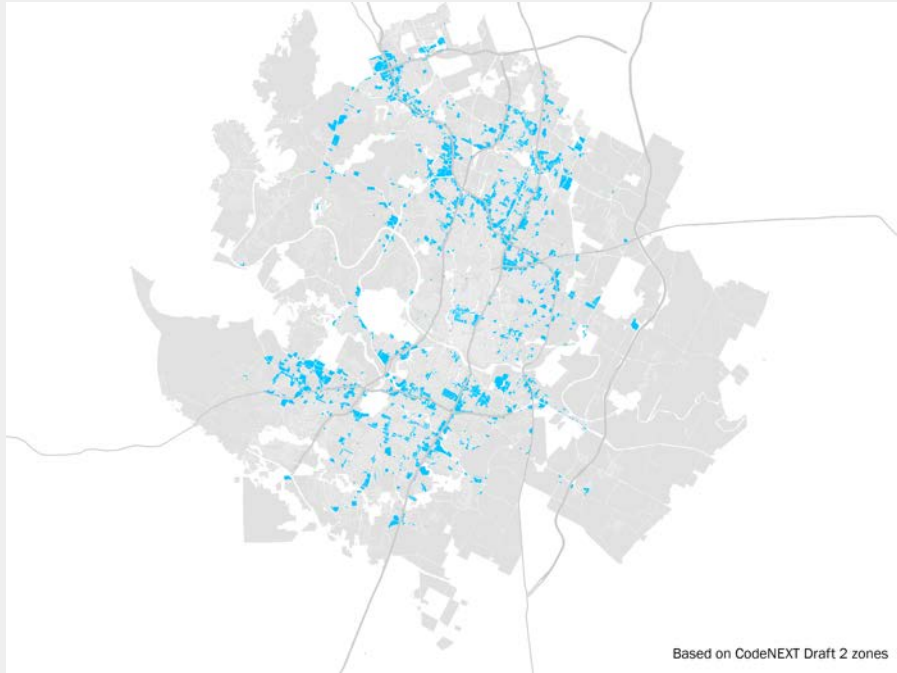
Acres: ~2,600



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DRAFT 2: MAPPED AREA WITH **UNIT** BONUSES



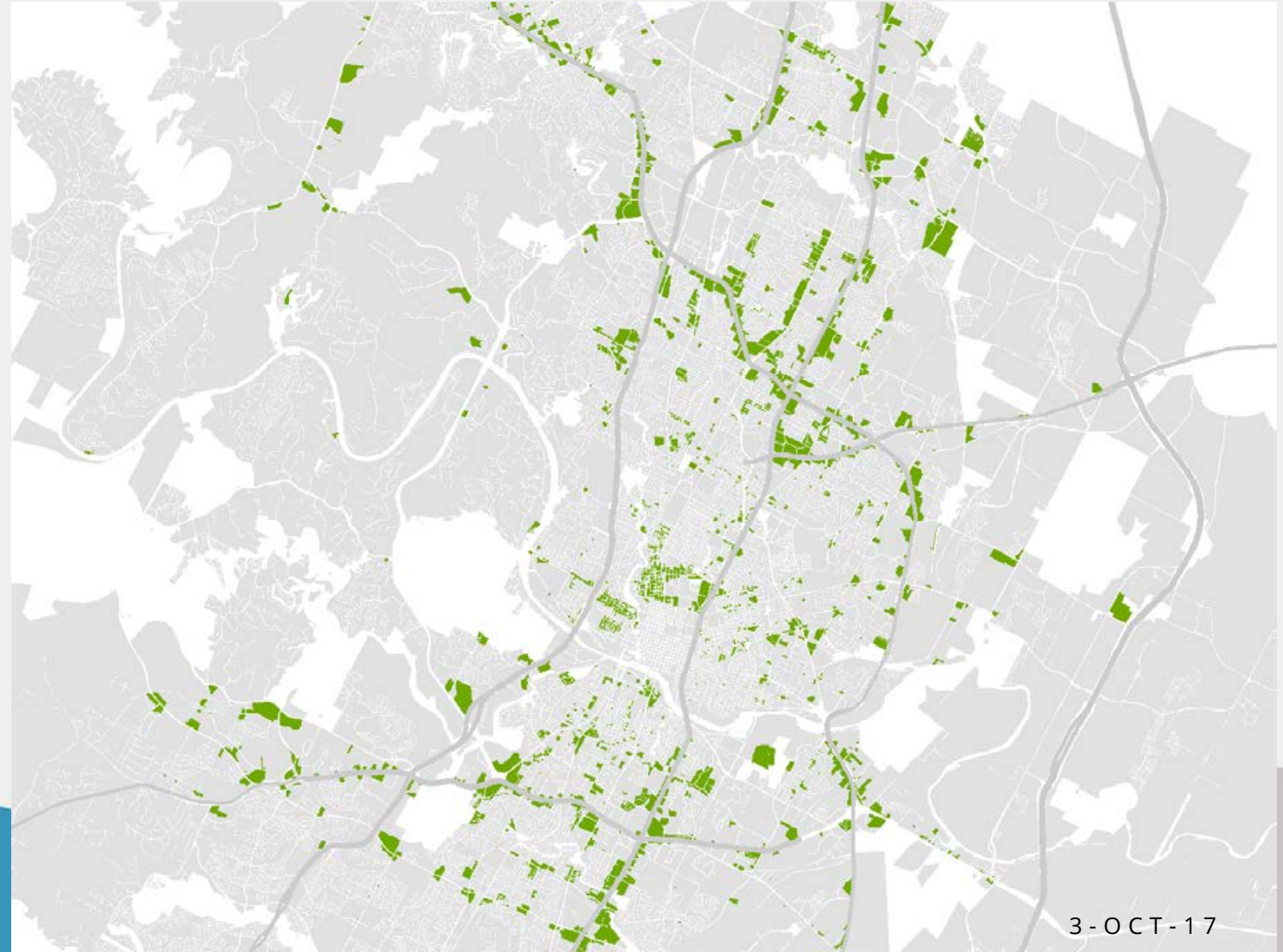
Acres: ~15,800



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DRAFT 2: MAPPED AREA WITH **BULK** BONUSES



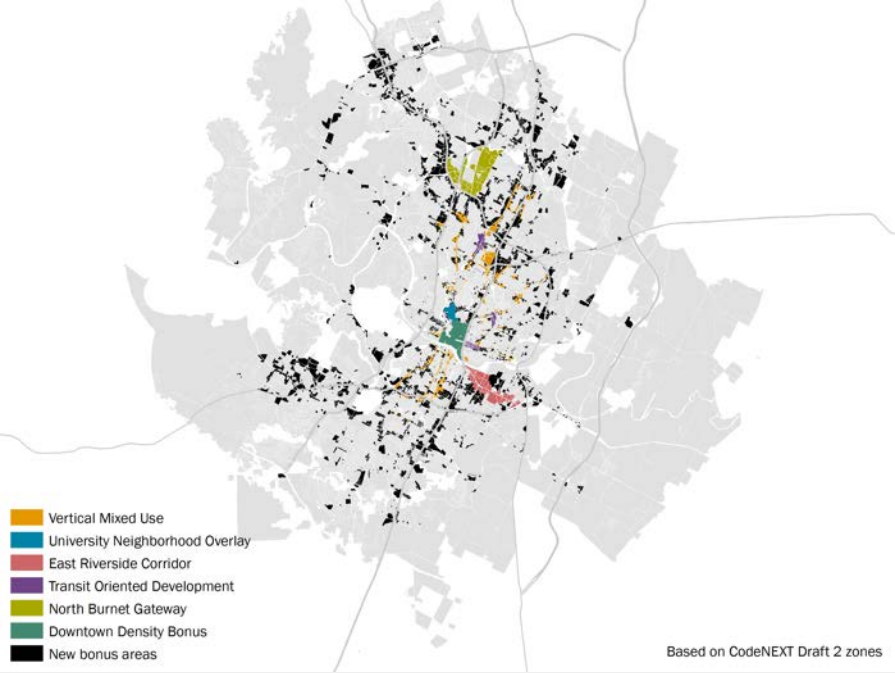
Acres: ~9,400



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DRAFT 2: NET FUTURE BONUS AREAS



Acres: ~23,500



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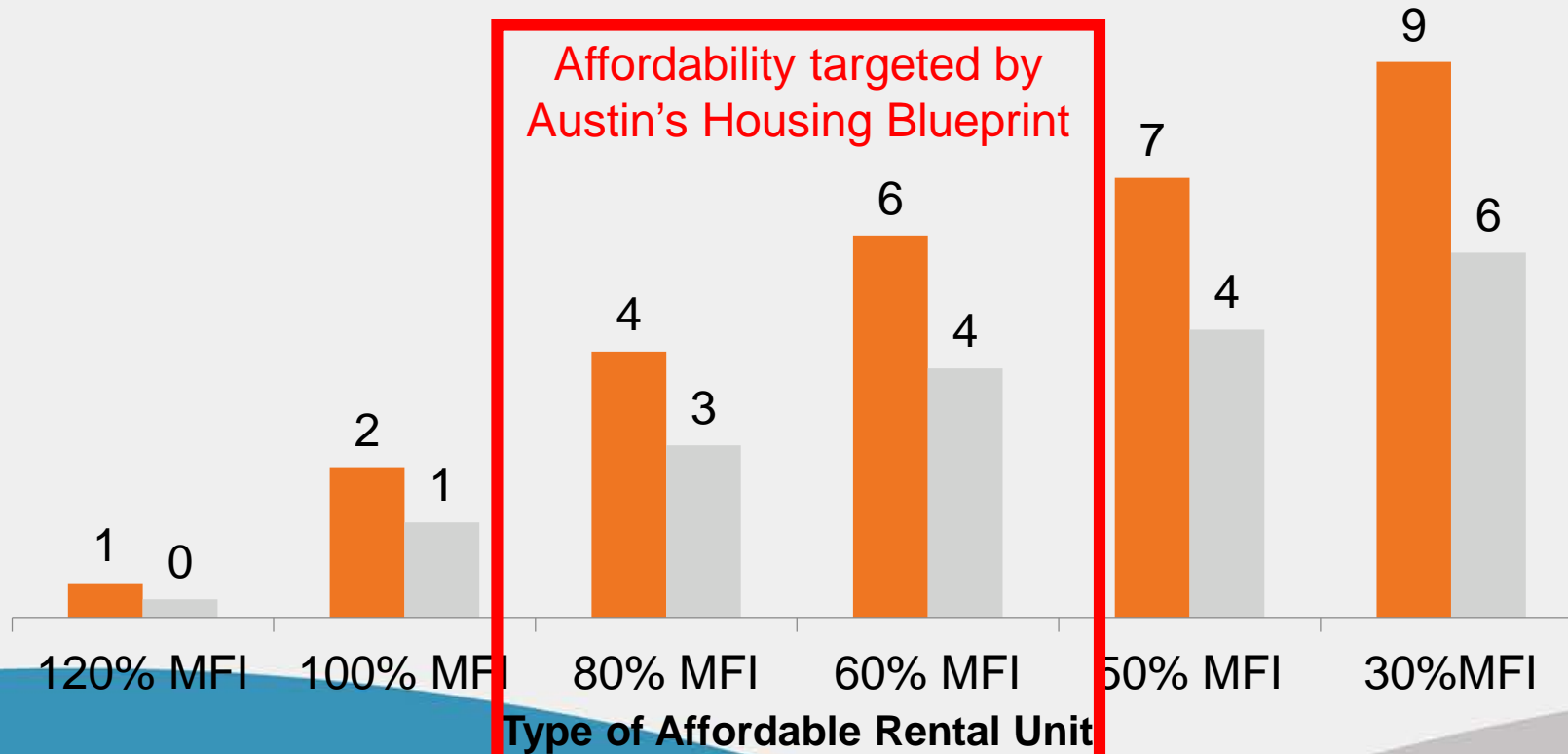
Overview of Improvements from Existing LDC and Draft 1

- D1 → D2 Clarified Bonus Calculations for the AHBP - clarifies the tables and adds graphics and examples to help illustrate the new calculations.
- D1 → D2 Requires better units to be built on-site with:
 - Unit dispersion;
 - Design standards;
 - Access to amenities; and
 - Incentives for multiple bedroom units



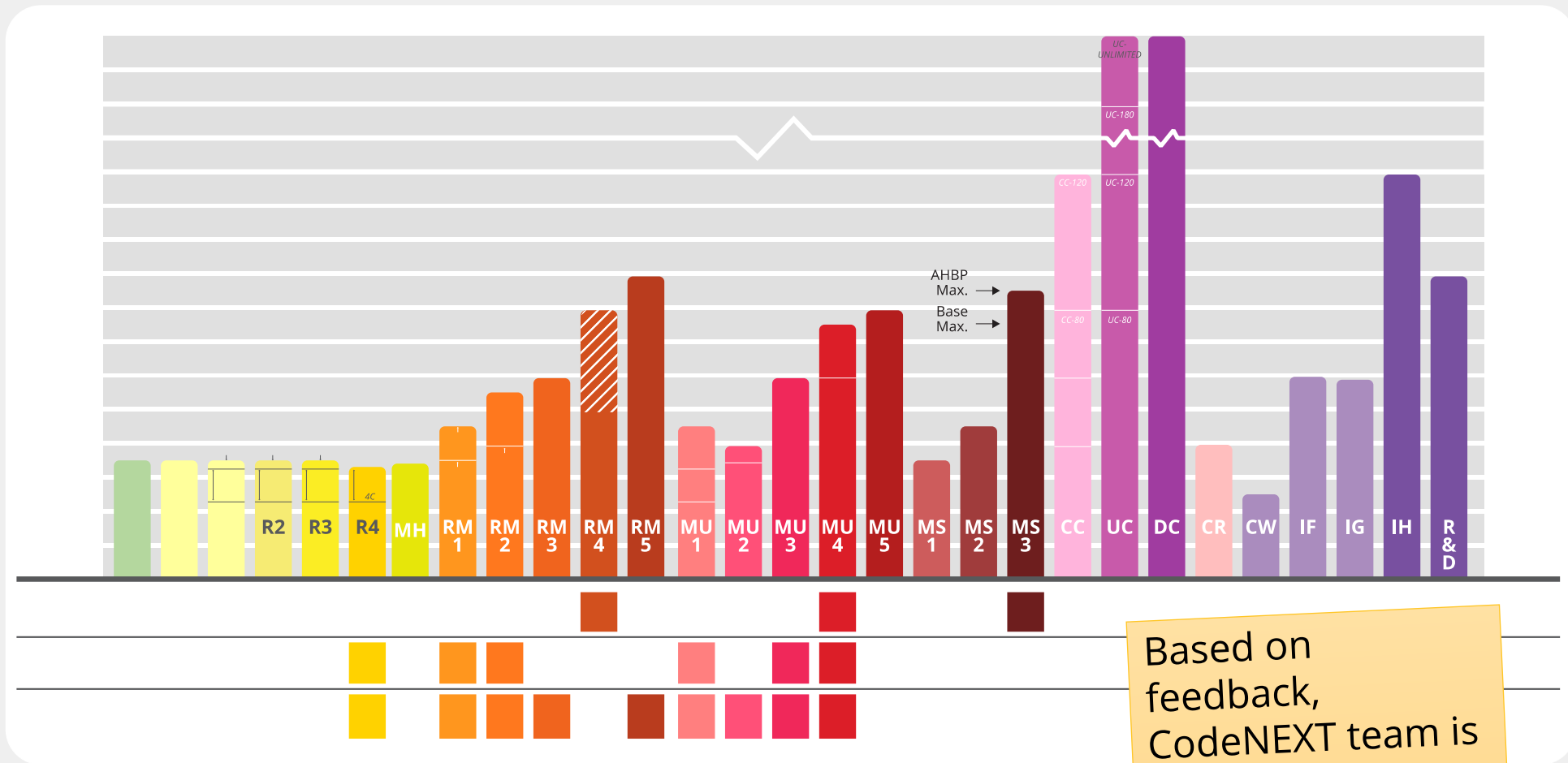
of Market Rate Units Required to Offset One Affordable Unit
Assumes developer can achieve \$3.00 PSF Rent (>\$2,000 for One-bed Unit)

■ High-rise ■ 5-7 Stories



Affordability targeted by Austin's Housing Blueprint

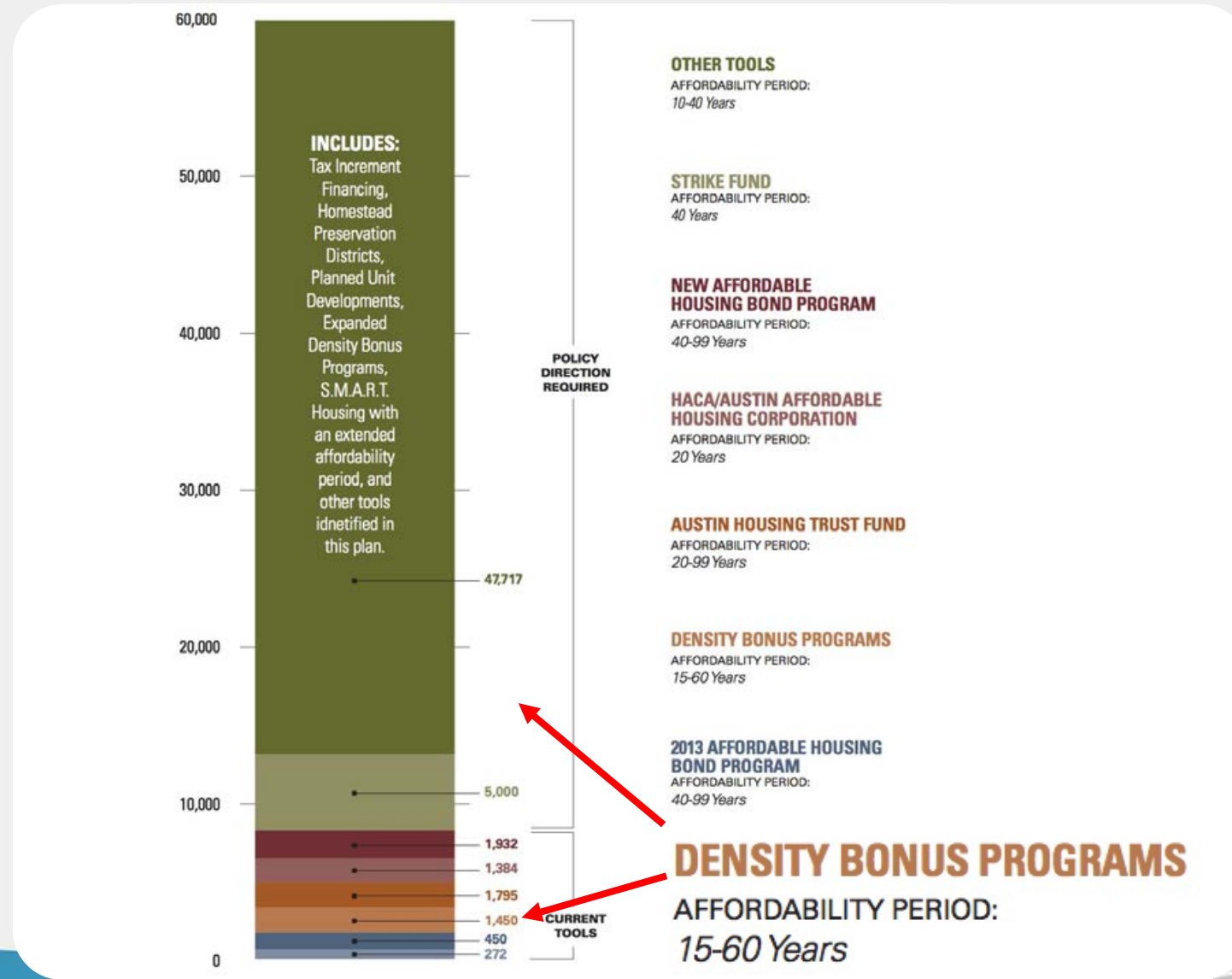
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Based on feedback, CodeNEXT team is considering bonuses in more zones.

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THE CITY'S HOUSING BLUEPRINT DEFINES GOALS



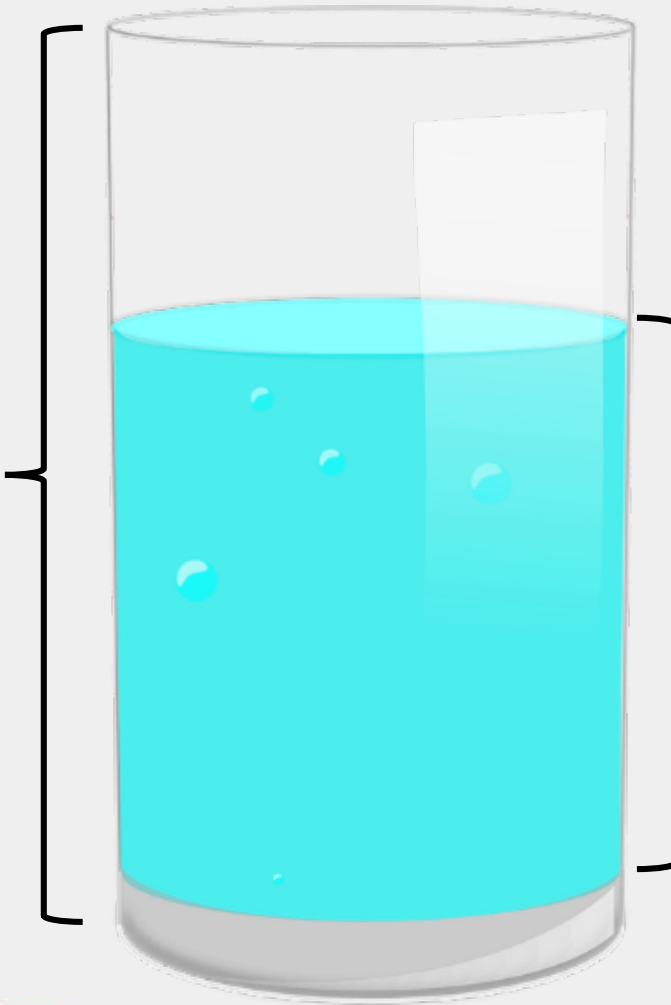
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THIS BONUS
ANALYSIS

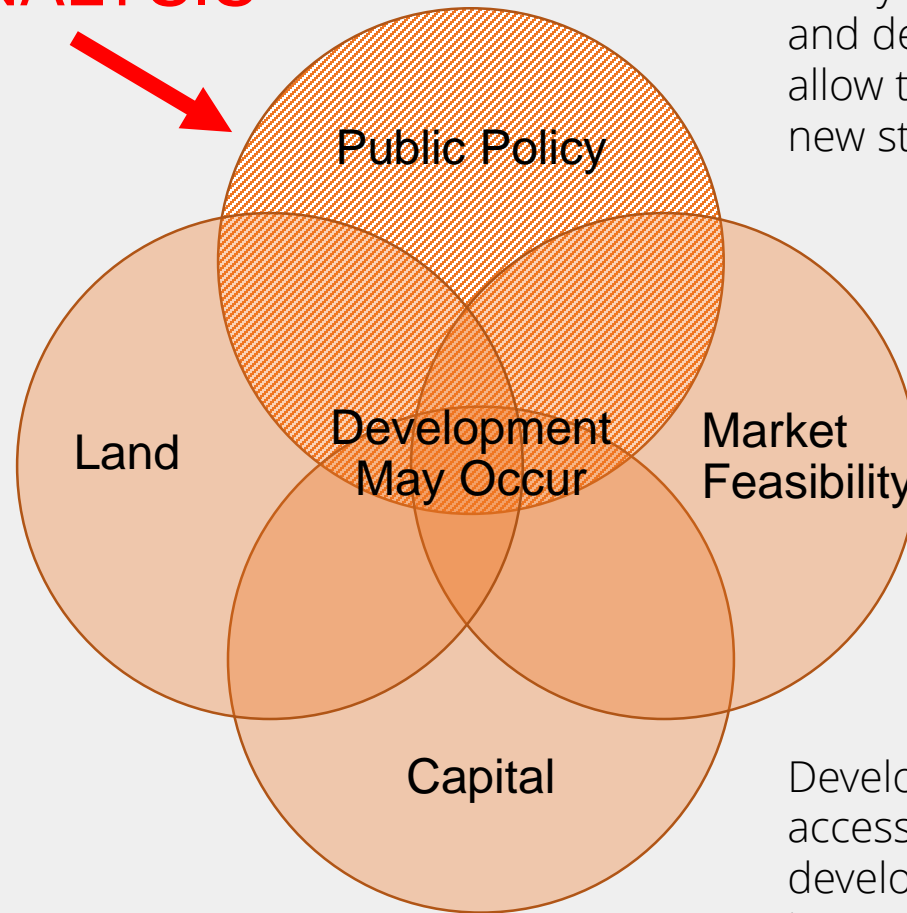


CAPACITY



FORECAST

THIS BONUS ANALYSIS



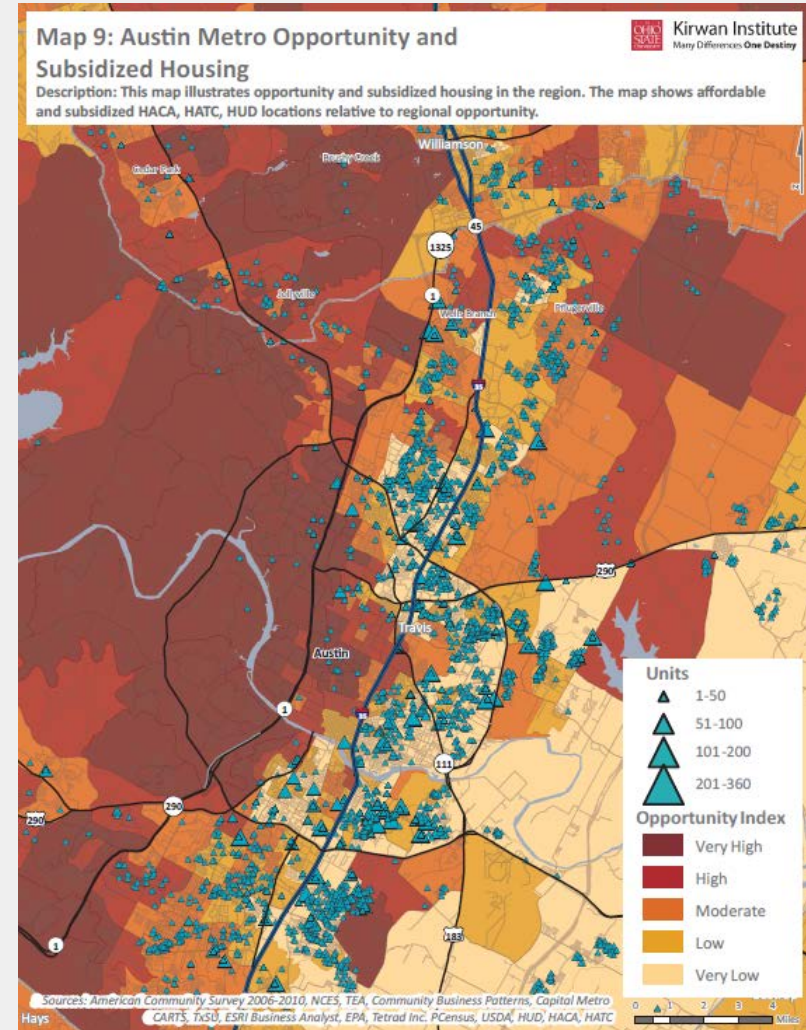
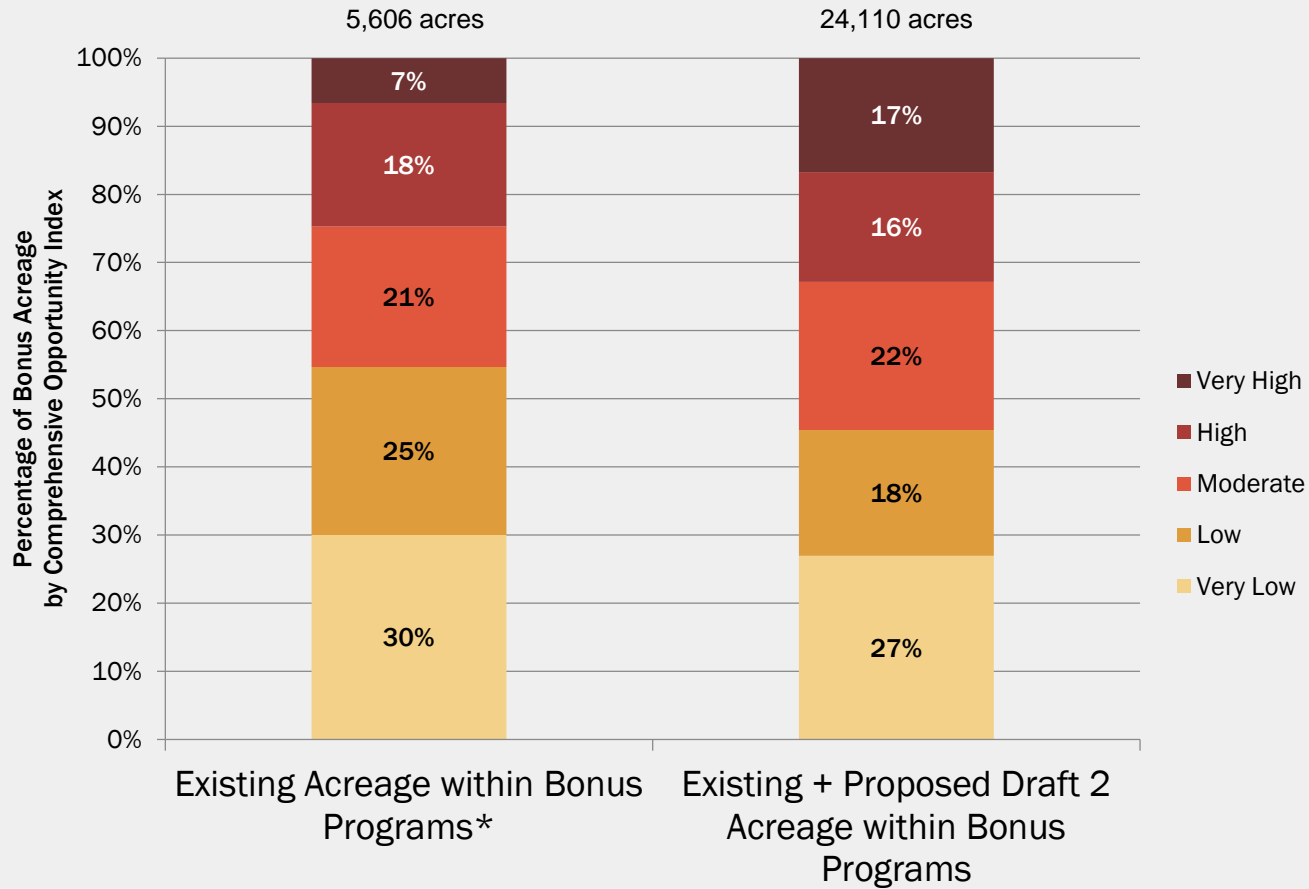
Policy – including zoning, density, and design requirements – must allow the developer to build a new structure .

Developers must be able to control sites with reasonable risk and acquisition costs.

There must be sufficient demand for space such that a developer’s investors anticipate a profitable outcome.

Developers must be able to access the resources for development, including equity investment, bank loans, or other sources of funds.

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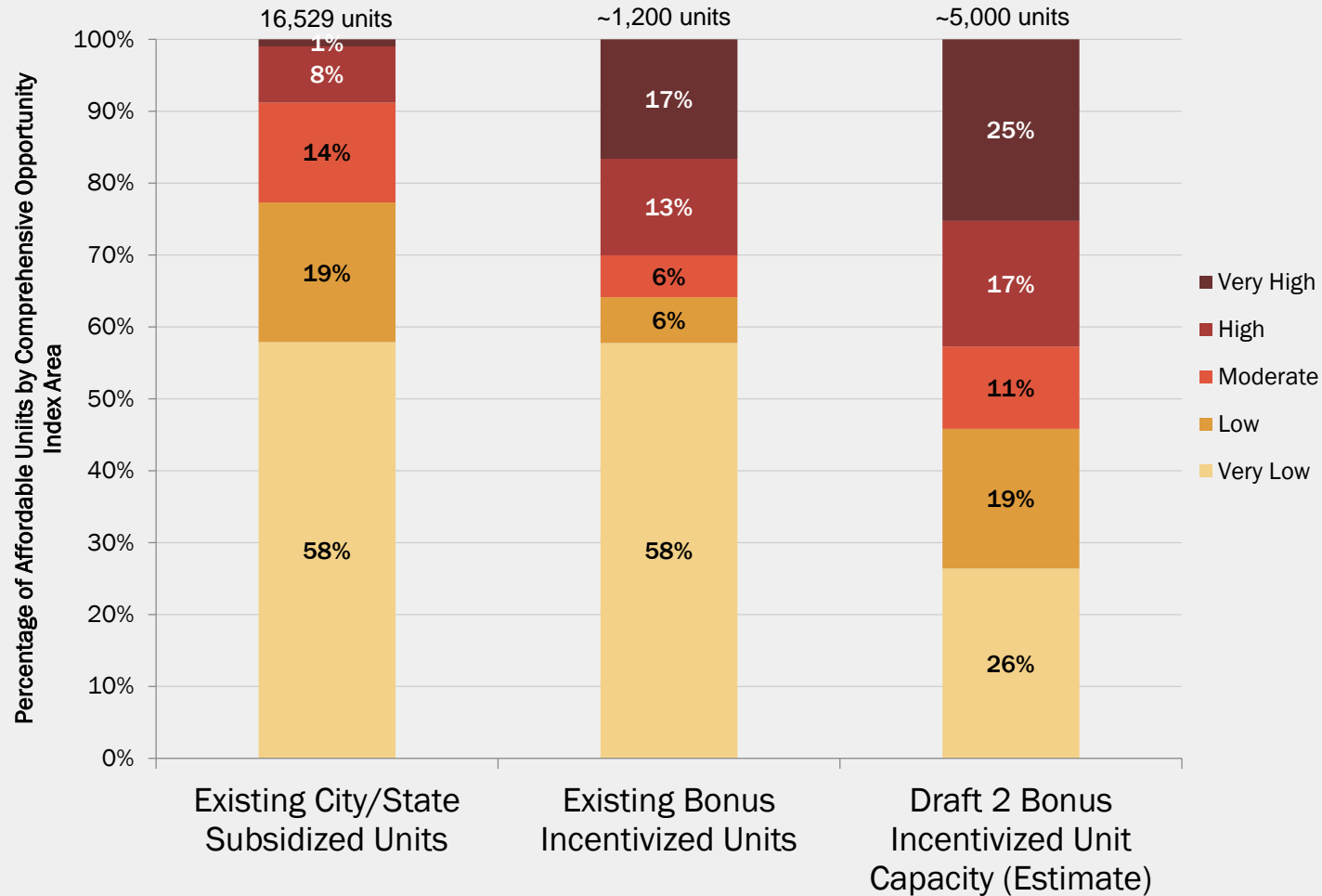


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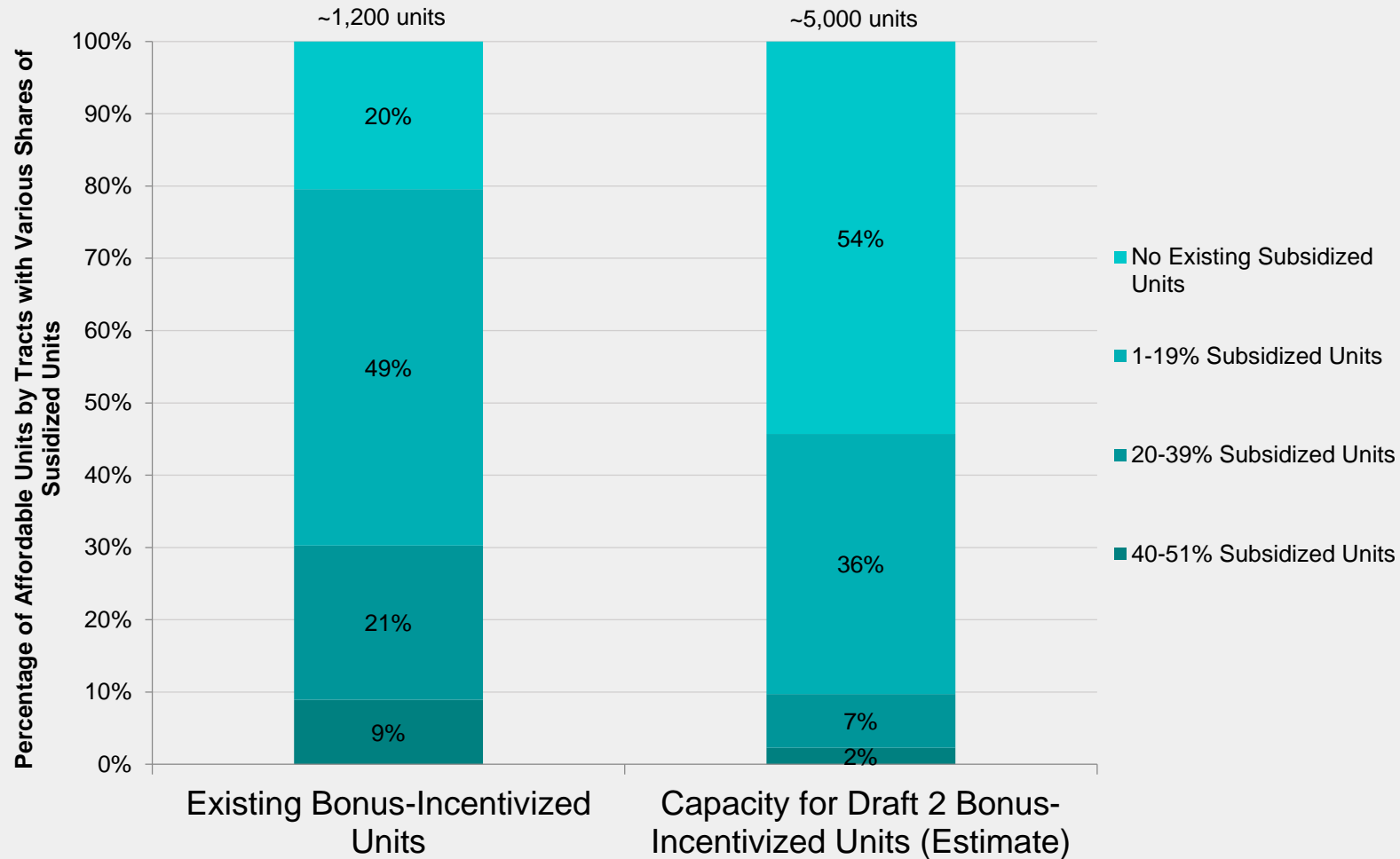
Note (*): Includes Downtown, UNO, VMU, NBG, ERC, and TODs; Does NOT include PUDs, etc.

Source: Kirwan Institute, 2013; http://www.kirwaninstitute.osu.edu/reports/2013/04_2013_Austin-reported.pdf

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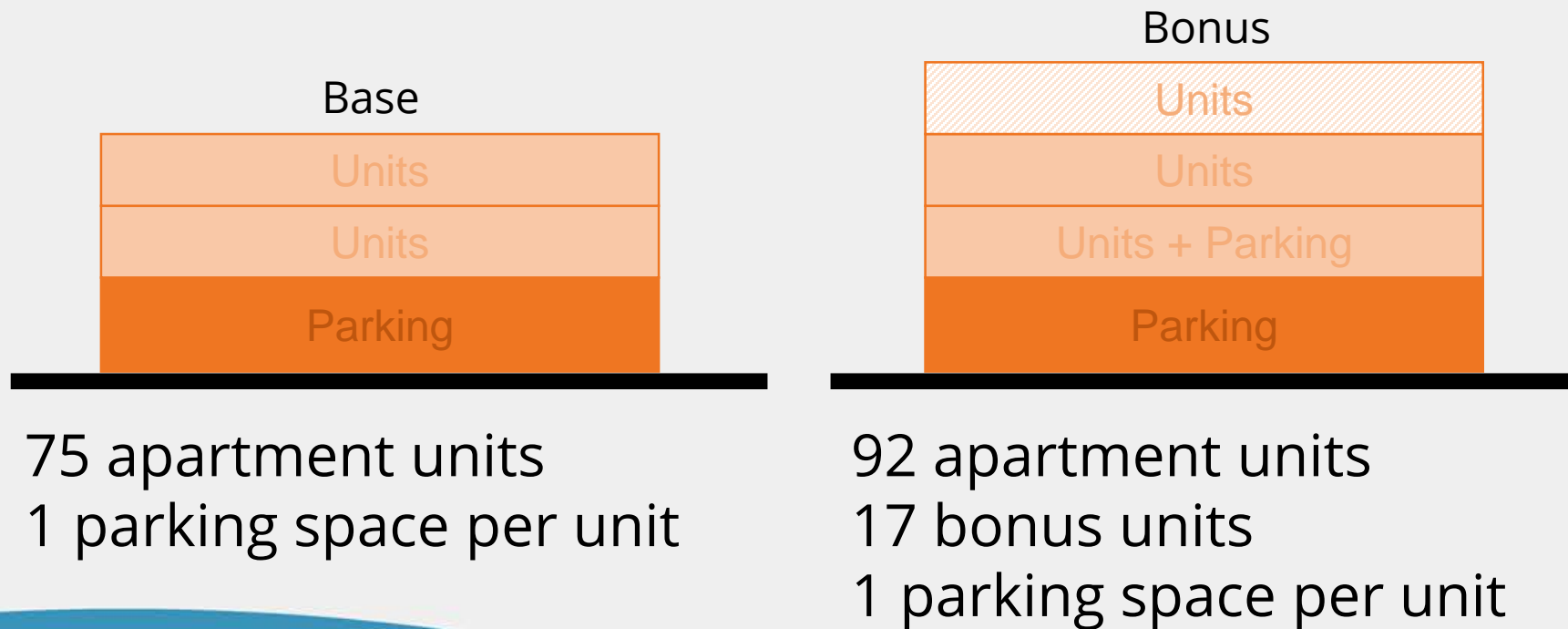
POTENTIAL
TOOLS

UNAVAILABLE

Private/ Nonprofit	Development-Derived	Regulatory	Tax Exemptions/GO	Federal	Other
Community Land Trust expansion Austin Affordable \ Housing Corporation New Market Tax Credits Strike Fund Philanthropy Public Improvement District Real Estate Investment Trust	Existing Density Bonus Programs Expanded Density Bonus Programs Tax Increment Financing Transfer of Development Rights Planned Unit Developments Homestead Preservation District (+Reinvestment Zones)	Streamline City Codes and Permitting Processes Allow development on smaller houses on smaller lots Relax regulations for ADUs	Targeted Preservation Property Tax Exemption 2013/16 Affordable Housing Bond Multifamily tax exemption program Homestead Property Tax Exemption General Fund Appropriations	HUD 202 supportive housing for the elderly CDBG and HOME funds Leverage LIHTC National Housing Trust Fund	Land Banking, Assembly, Property Price Buy Down Austin Housing Trust Fund NHCD Housing Developer Assistance Restructured SMART housing with longer affordability periods
Private Sector Fund for Affordable/ Workforce Housing Real Estate Transfer Tax	Impact Fees Construction Excise Tax Inclusionary Zoning	Relax regulations on more affordable products and cooperatives Rent Control Tenant Protections			

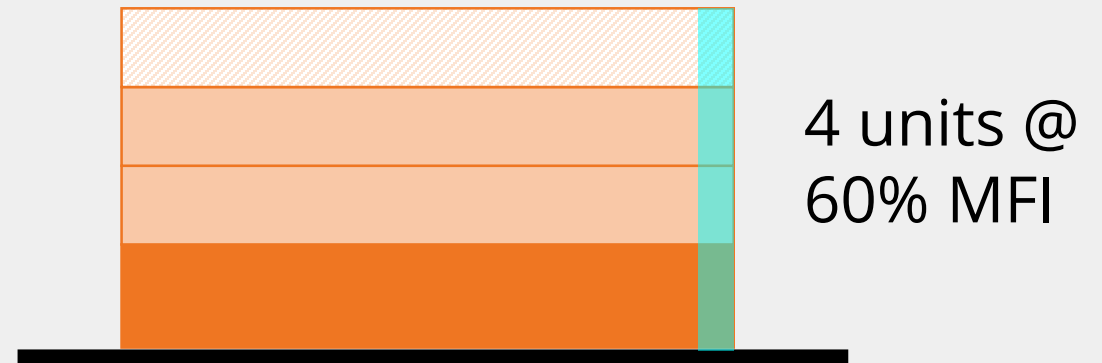
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- IN A LOCATION AT THE HIGH-END OF THE AUSTIN MARKET (\$3.00/SQ FT RENT),
- BASED ON PROVIDING “LIKE-KIND” AFFORDABLE RENTAL UNITS AT 60% MFI,
- WE MODELED 50K SF LOT WITH A 40K SQ FT MULTIFAMILY BUILDING FOOTPRINT...



HOUSING

- THE DEVELOPER MIGHT CHOOSE TO BUILD THE BONUS IF...
 - She would be able to build up to 4 income-restricted units
 - 24% of bonus units
 - 4% of total units

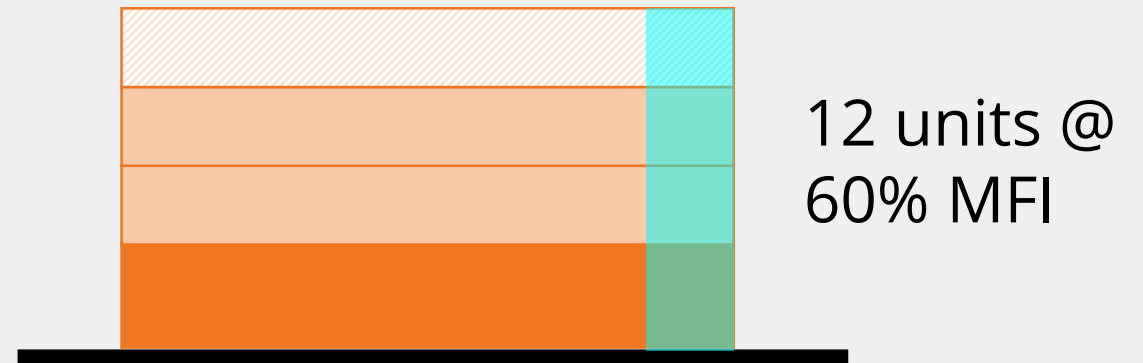


92 apartment units
17 bonus units
1 parking space per unit

HOUSING

- THE DEVELOPER MIGHT CHOOSE TO BUILD THE BONUS IF...

- She was provided a TIF subsidy, land write down, or other contribution equal to 10% of project costs
- She would be able to build up to 12 income-restricted units
 - 71% of bonus units
 - 10% of total units

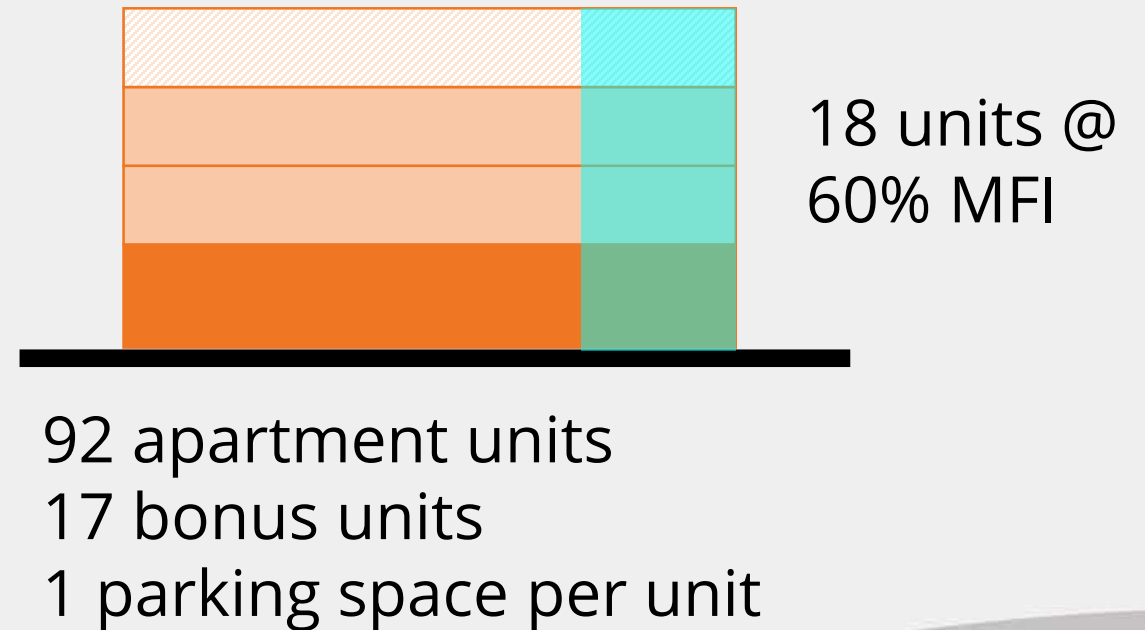


92 apartment units
17 bonus units
1 parking space per unit

HOUSING

• THE DEVELOPER MIGHT CHOOSE TO BUILD THE BONUS IF...

- She was given a 100% tax abatement for City of Austin property taxes
- She was given the TIF or other subsidy
- She would be able to build up to 18 income-restricted units
 - 106% of bonus units
 - 20% of total units



HOUSING

BASED ON FEEDBACK, CHANGES TO THE PROPOSED CITYWIDE AHBP ARE BEING EVALUATED FOR DRAFT 3:

- Zone-based modifications related to feedback on CodeNEXT drafts
 - Evaluation of bonus options for low-intensity zones / smaller building types
- Ongoing evaluation of potential effectiveness / yield
 - Pursuing potential changes to zones and zoning map
 - Evaluating changes to AHBP public benefit requirements
 - Investigating suggested changes to existing bonus programs and area plans
- On-going in-lieu fee discussions
 - To be fully calibrated closer to CodeNEXT implementation date