

Added (D)(4), which concerns a
City-approved inspection at
least once every five years.

Version 2

ORDINANCE NO. _____

**AN ORDINANCE AMENDING CHAPTER 4-18 OF CITY CODE RELATED TO
DENSITY BONUS AND INCENTIVE PROGRAMS.**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. City Code Section 4-18-25 (*Certification*) is amended to amend Subsection (F) to read:

§ 4-18-25 CERTIFICATION.

- (F) For developments with one or more affordable units, the agreement required in Subsection (C) must, at a minimum:
- (1) include the applicable affordability requirements;
 - (2) prohibit discrimination on the basis of an individual's source of income as defined in Section 5-1-13 (Definitions);
 - (3) require dispersion of affordable units throughout the residential units;
 - (4) require equal access and use of on-site amenities, common areas, and parking facilities;
 - (5) require shared access routes for affordable units and market-rate units;
 - (6) require that affordable units include interior components that are functionally equivalent to market-rate units;
 - (7) limit the use of an affordable unit as a Type 2 or Type 3 short-term rental (STR);
 - (8) require the applicant to incorporate lease provisions that are consistent with a tenant's right to organize under 24 C.F.R. 245.100, the lease addendum required as a condition to receive City of Austin Housing Finance Corporation funds, or City Code requirement; and
 - (9) if applicable, address any obligations described in Division 2 (*Redevelopment Requirements*) and Division 3 (*Density Bonus Specific Additional Requirements*)~~[, if applicable]~~.

PART 2. City Code Chapter 4-18 (*General Permitting Standards*), Article 2 (*Density Bonus and Incentive Programs*), is amended to add a new Division 3 to read as follows:

Division 3. Density Bonus Specific Additional Requirements

§ 4-18-34 DENSITY BONUS UNIVERSITY NEIGHBORHOOD OVERLAY (DBUNO) REQUIREMENTS.

- (A) This section applies to a property that is zoned with Density Bonus University Neighborhood Overlay (DBUNO) combining district and provides on-site affordable units or affordable bedrooms.
- (B) In this section,
 - (1) MFI- HOME RENT LIMIT means the maximum rent for an affordable bedroom as established annually by the Texas Department of Housing and Community Affairs as determined by the director of the Housing Department.
 - (2) DOUBLE-OCCUPANCY BEDROOM means the bedroom rental rate as established for two people sharing the same room affordable bedroom.
- (C) The maximum rental rate for a double-occupancy bedroom is 55 percent of the MFI-Home Rent Limit.
- (D) The agreement required in Section 4-18-25 (*Certification*) must also include the following:
 - (1) Decoupled Parking. Parking must be rented or sold separately from the affordable unit. Parking for an affordable unit may be rented or sold if the cost of parking is optional and is rented or sold separately.
 - (2) Early Leasing Restrictions. Except for a lease or lease renewal for group residential use, a lease or lease renewal for a dwelling unit shall include an effective date for commencement of lease term not earlier than 150 days prior to move-in date or earliest date tenant may take possession of the dwelling unit.
 - (3) Delayed Move-In Provision. The applicant must agree to include certain provisions related to delayed move-in within a lease for a residential unit. In the event the move-in date is delayed, the lease must give the tenant the option:

- (a) to terminate the lease without penalty prior to the effective date for commencement of lease terms; and
- (b) to accept:
- (i) compensation that equals to pro-rata daily rent amount for a move-in delay if the dwelling unit is not ready due to ongoing construction or repairs; or
 - (ii) reimbursement for expenses incurred in obtaining alternate housing, including daily cost of alternate housing for the period of move-in delay, plus reimbursement of expenses incurred for meals and moving and storage of tenant property. Reimbursement for expenses incurred, not including daily cost of alternate housing, may not exceed \$6,000.00.
 - (iii) An alternative accommodation includes a hotel room, motel room, short-term rental, or rental of a dwelling unit.

(4) Each building in a development may be inspected by the City or an inspector approved by the City at least once every 5 years.

(E) Exterior Windows. Each designated bedroom in a dwelling unit must include a window on an exterior wall.

(F) Each building in a development must achieve a two-star or greater rating under the Austin Energy Green Building program using the applicable rating version in effect at the time a rating registration application is submitted.

PART 3. This ordinance takes effect on _____, 2025.

PASSED AND APPROVED

_____, 2025 § _____
 § _____
 § _____
 Kirk Watson
 Mayor

APPROVED: _____ **ATTEST:** _____
Deborah Thomas Erika Brady
City Attorney City Clerk