



Density Bonus Briefing Presentation

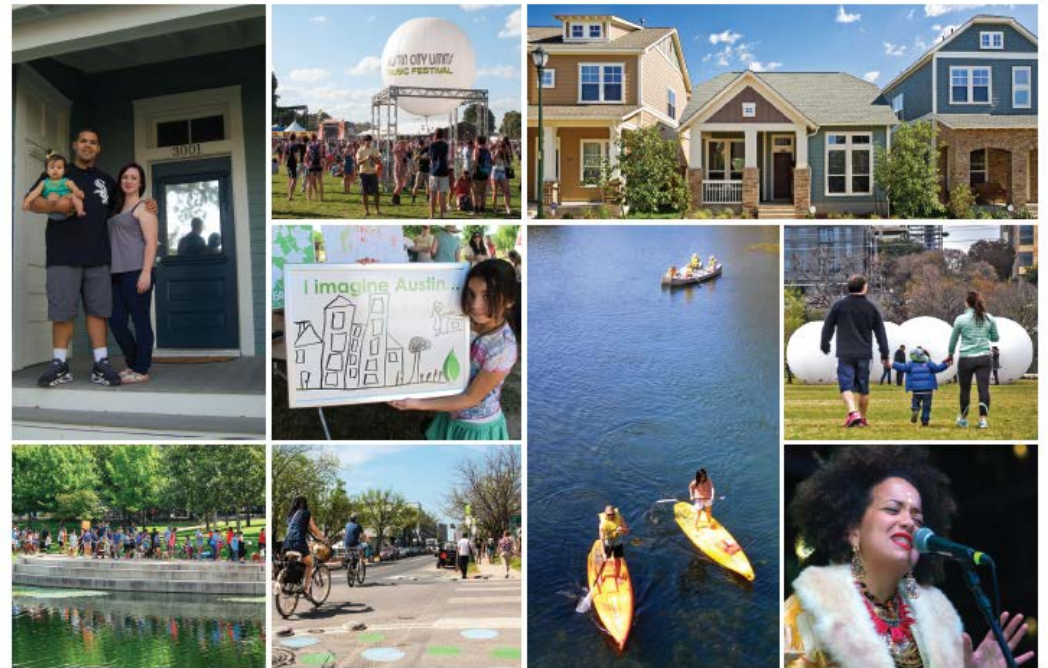
Housing Department

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 low-income housing in Austin was estimated at over \$11 billion in 2017

AUSTIN STRATEGIC HOUSING BLUEPRINT



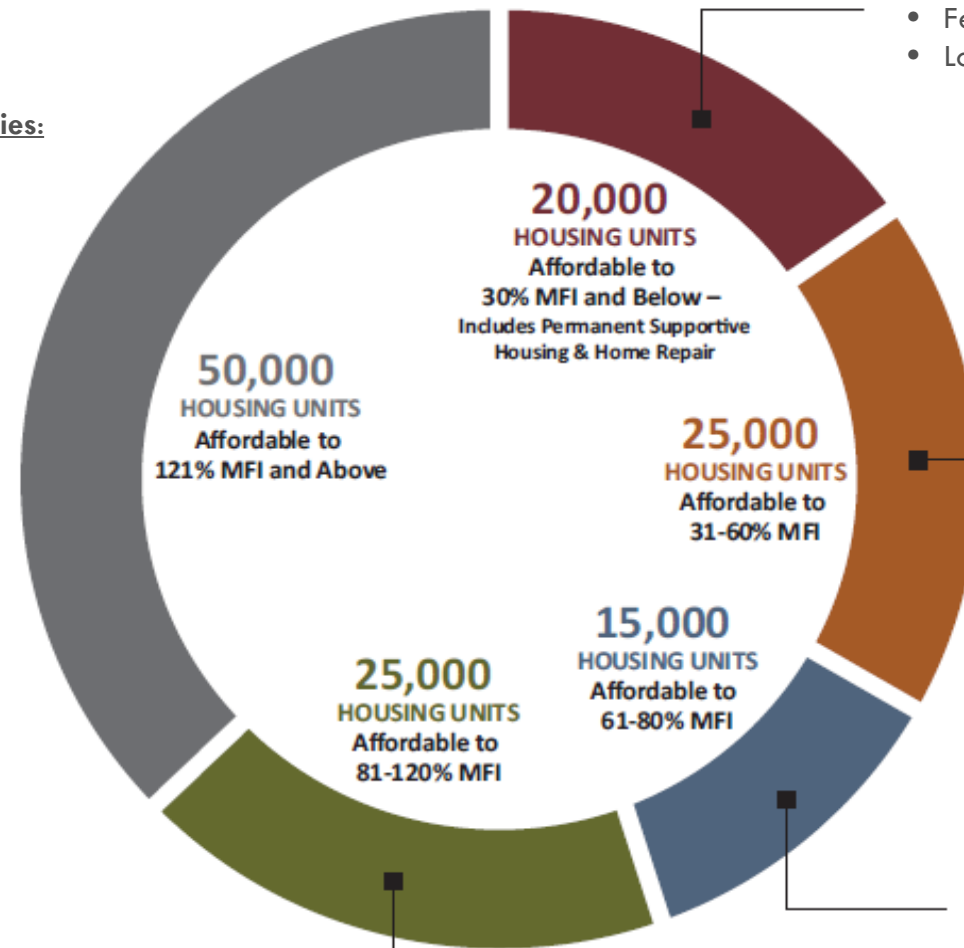
www.austintexas.gov/housingplan

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

Key Strategies:

- Market



Key Strategies:

- Federal funding
- Local funding

Key Strategies:

- Federal funding
- Local funding
- **Density Bonus Programs**

Key Strategies:

- Other Incentives
- **Density Bonus Programs**
- Strike Fund

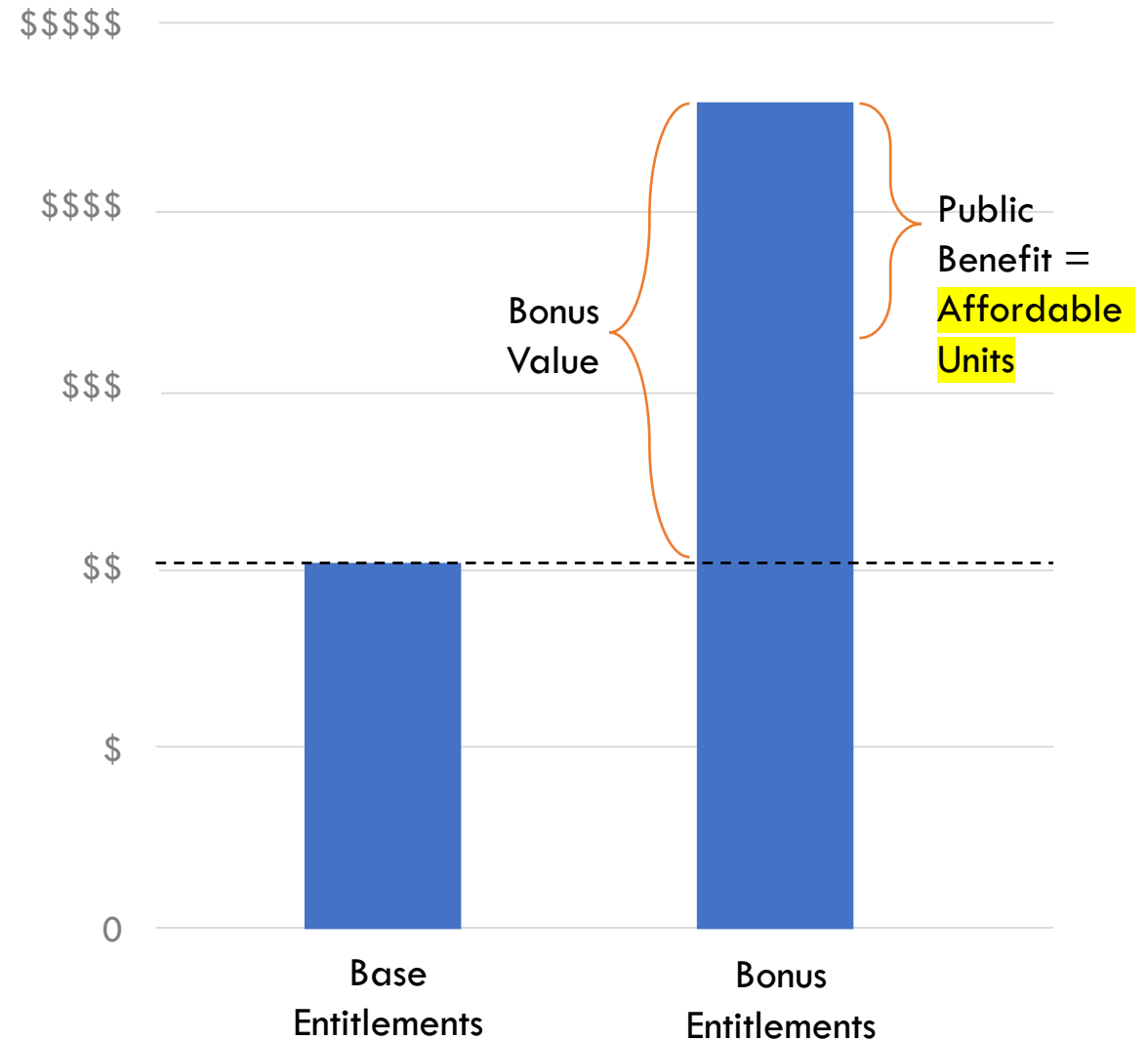
Key Strategies:

- Strike Fund
- LDC Revisions

BACKGROUND: DENSITY BONUS PROGRAM BASICS

What is a Density Bonus Program?

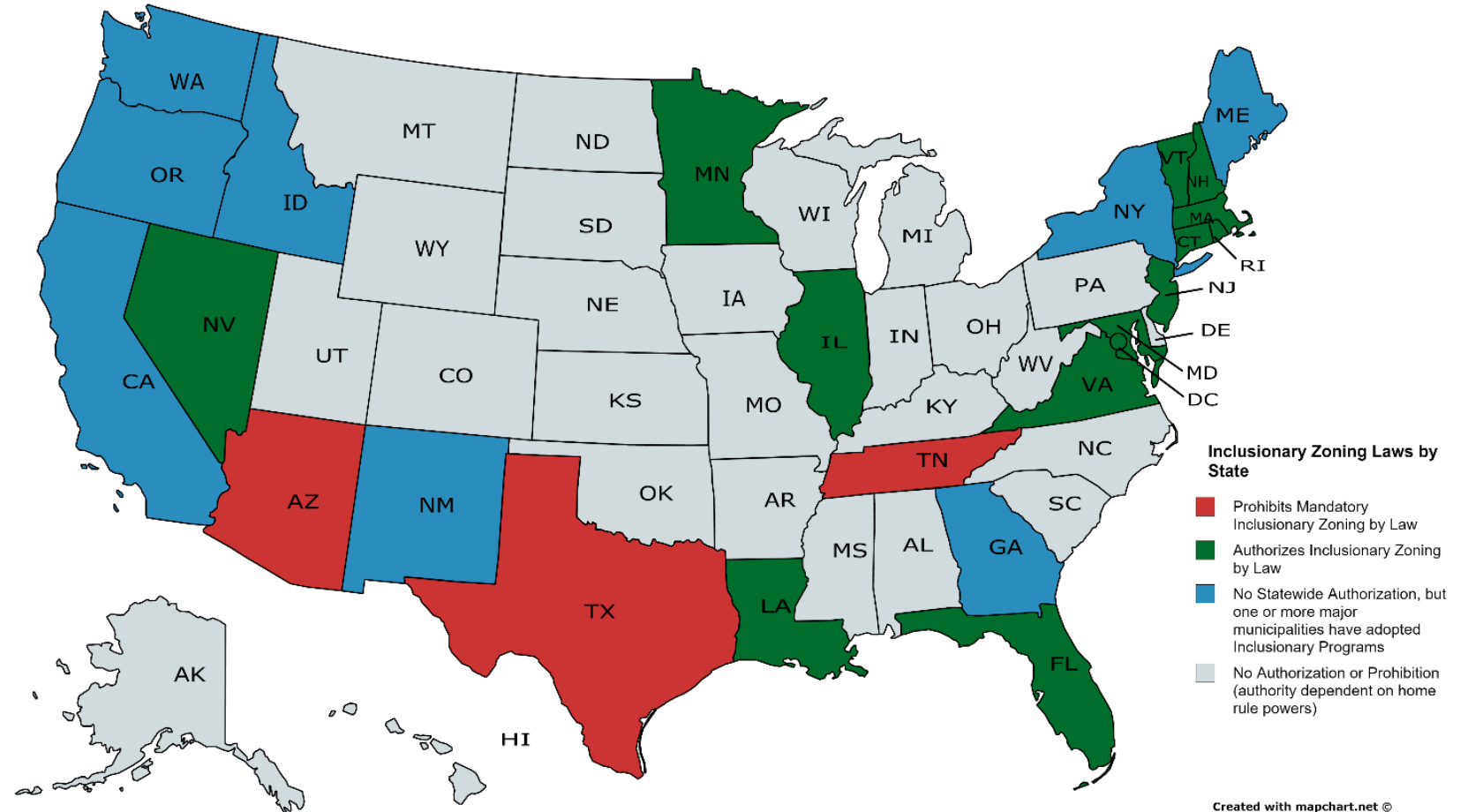
Density bonus programs provide additional height or density (additional units) in exchange for community benefits such as affordable housing



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™ Policy

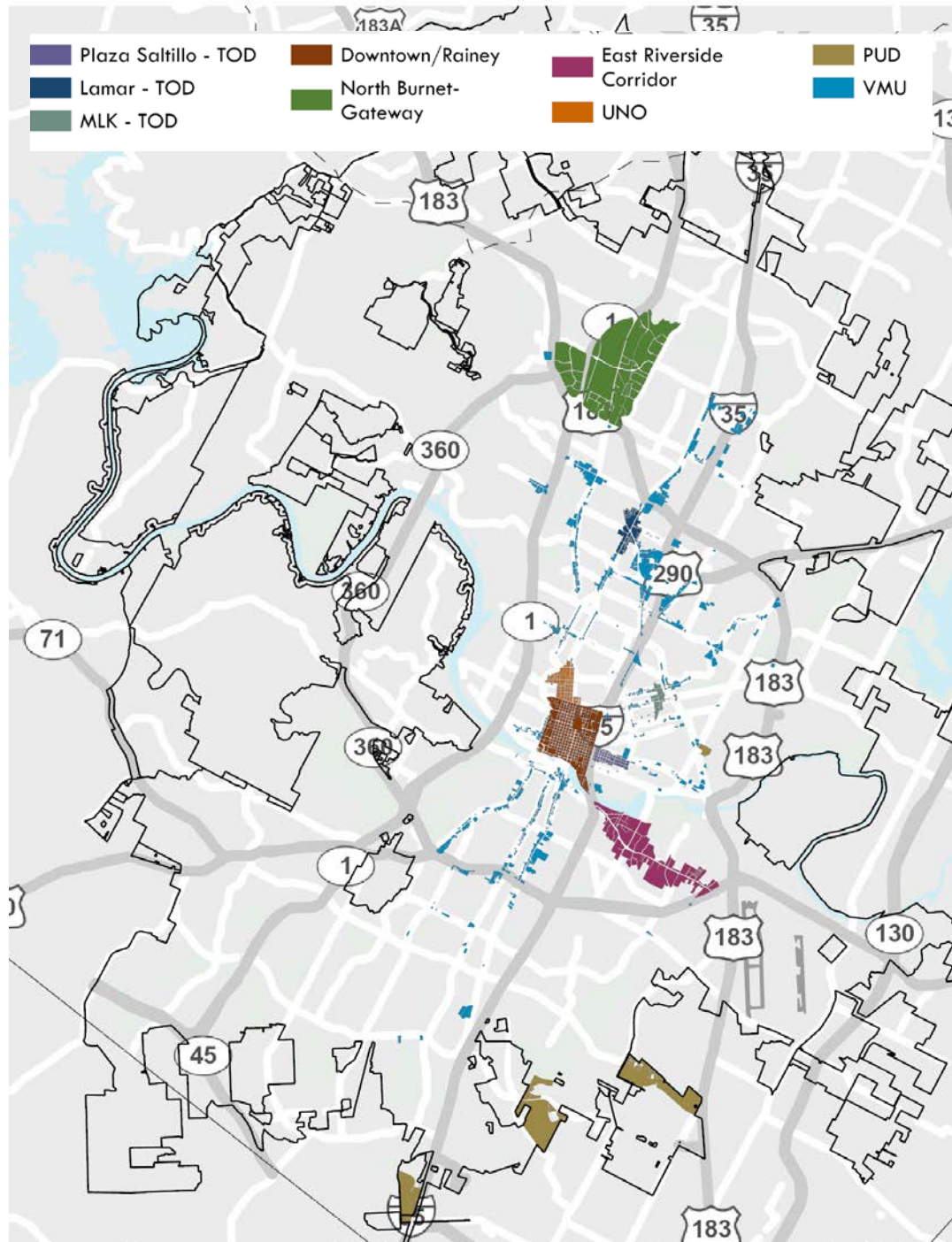
Safe • Mixed Income • Accessible • Reasonably Priced • Transit Oriented

Resource Guide



Policy Considerations

- 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

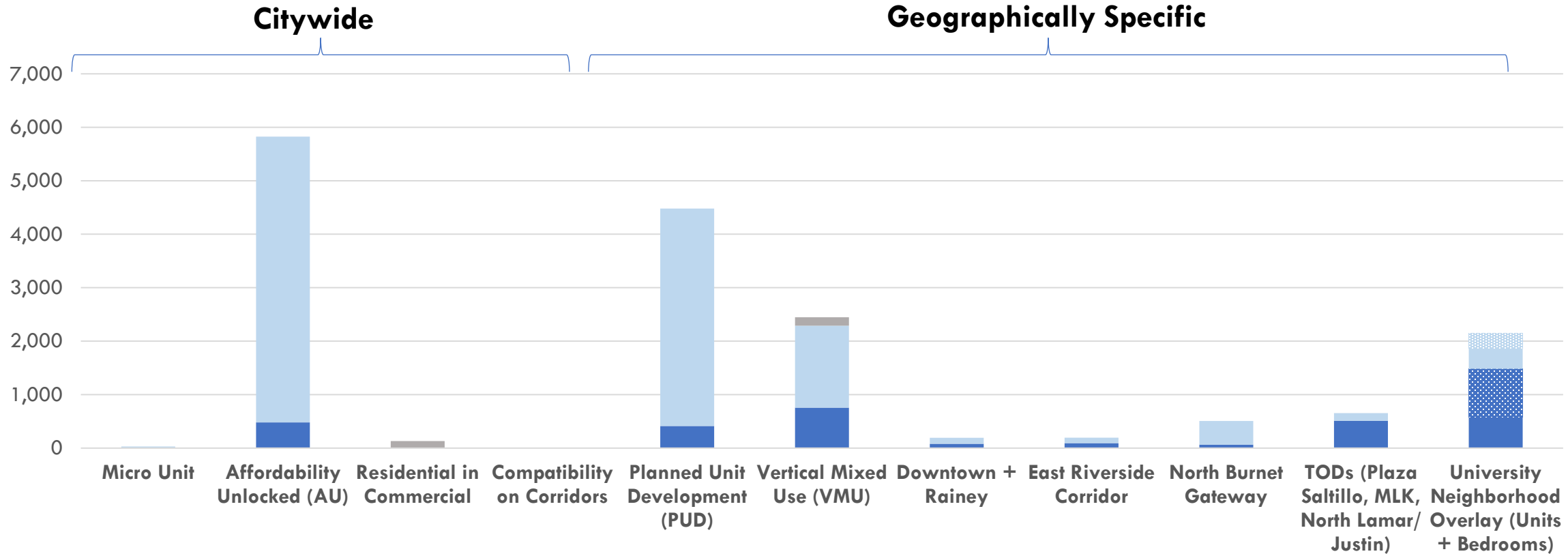
Citywide

- 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



Completed	1	481	0	0	414	755	81	93	64	511	572 + 911 Bedrooms
Planned	28	5,343	0	0	4,066	1,535	111	102	442	143	382 + 281 Bedrooms
Not Yet Certified			131			156					
Fees In-Lieu Received					\$15,163,210 ³		\$6,541,027		\$4,872,181	\$4,152,513	\$5,552,737
Fees In-Lieu Anticipated					Difficult to Forecast		\$23,802,100		\$13,814,612	\$5,149,146	\$779,024

AHI Open Data Portal export included data that was up-to-date through July 27
 Fees In-Lieu information retrieved 9/1/2023 from AIMS, the City's financial system

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-bed 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; tenant protection lease addendum must be included for affordable units	Commercial space limited to 25% of gross floor area
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 meet one of four additional criteria (75% affordable; 10% of affordable units at 30% MFI; 50% of affordable units are 2+ bedrooms; or near Imagine Austin corridor)		Same as Tier 1	None	No		
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 commercial space
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	No STR use for affordable dwelling units; no more than 15% of total units can be STRs; redevelopment requirements for existing multifamily uses; tenant protection lease addendum must be included for affordable units

PROGRAM REQUIREMENTS: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

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
VMU 1 (and pre-2022 VMU)	Massing regulations waived. Parking reduced by 40% (or 75% along light rail line post-2022).	By unit	10%	Total units	60% MFI / 40 years	80% MFI / 99 years	2022 Ordinance: Bedrooms sizes for affordable units must be comparable to market-rate units	None	No	2022 Ordinance revision includes: Source of income protections; tenant organizing protections; comparable finishes between affordable and market units	Must meet VMU design standards.
VMU 2	VMU 1 bonuses, plus 30' additional height.		15% (rental along light rail) / 12% (rental not along light rail OR ownership)		60% MFI / 40 years; option to provide units at 50% MFI at rate of 80% of original set-aside requirement						
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	None within 8:1 FAR; Multiple above 8:1 FAR: Green building standards, historic preservation, publicly accessible plaza space, green roof, and others can achieve up to 50% of bonus area	Yes, above 8:1 FAR	None	Design Commission must approve request
East Riverside Corridor	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.

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
Plaza Saltillo TOD - Density	Waives massing requirements. Compatibility waived in certain circumstances.	By sq ft	10%	Entire sq ft of development	60% MFI / 40 years	80% MFI / 99 years	None	None	Subject to Council approval	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 development	50% MFI / 40 years	60% MFI / 99 years	None	None	Subject to Council approval	None	Design standards in Regulating Plan
Plaza Saltillo TOD - 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.	By sq ft	10% / 25% / 40%	Entire sq ft of development	40% / 60% / 80% MFI for 40 years	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 development	60% MFI / 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 development	50% or 60% MFI / 40 years (location dependent)	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 development	60% MFI / 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 development	60% MFI / 40 years	80% MFI / 99 years	None	None	Subject to Council approval	None	Design standards in Regulating Plan
UNO	Required to develop within UNO. Height up to 120' allowed with additional affordability in certain subdistricts.	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 alternative 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 Fee-in-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 high-opportunity 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!

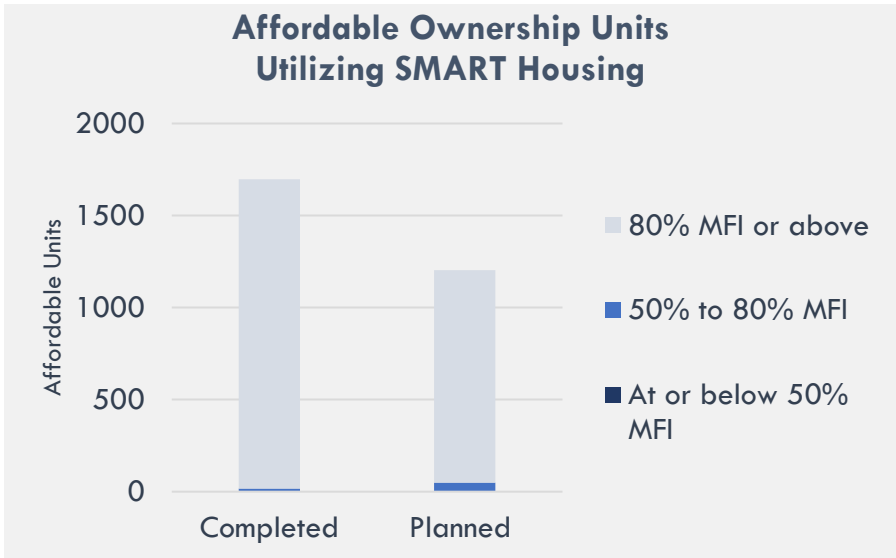
CITY OF AUSTIN: DEVELOPMENT INCENTIVE PROGRAM

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

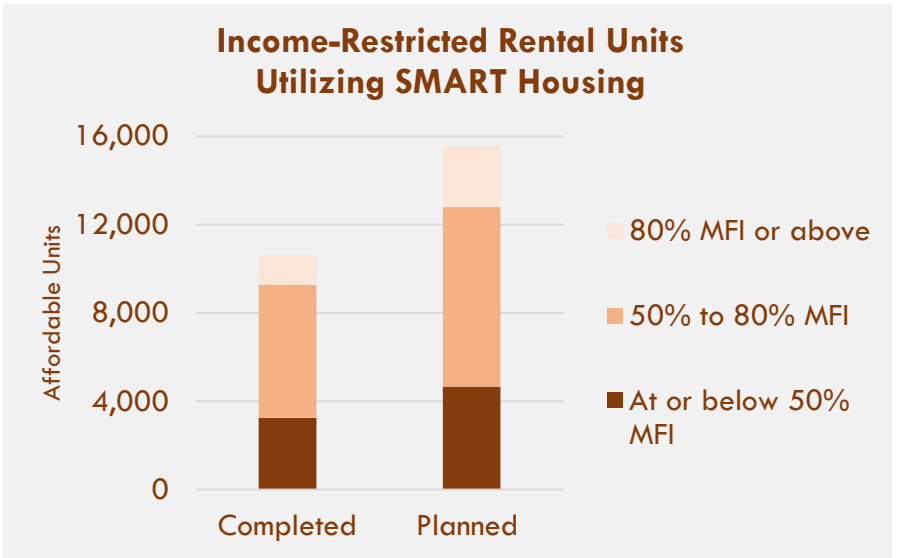
16,751
Planned Affordable Units



of Ownership Applications FY 2022-2023
6

Minimum Ownership Affordability Period
1 year

Average Ownership Affordability Period
10 years



of Rental Applications FY 2022-2023
39

Minimum Rental Affordability Period
5 years

Average Rental Affordability Period
33 years

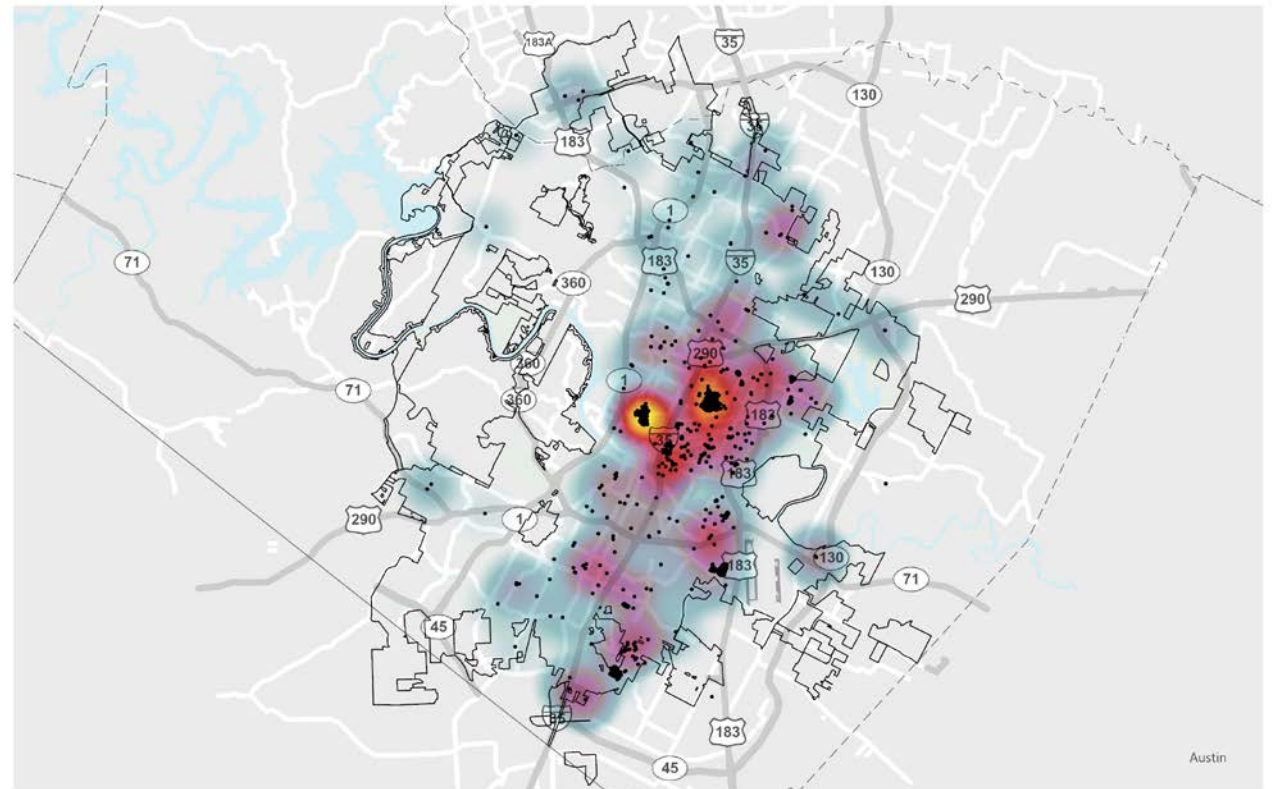
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Policy Considerations

- 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



Smart Housing Affordable Units
Smart Housing Properties

Sparse
Dense

CITY OF AUSTIN: CITYWIDE DENSITY BONUS PROGRAMS

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.

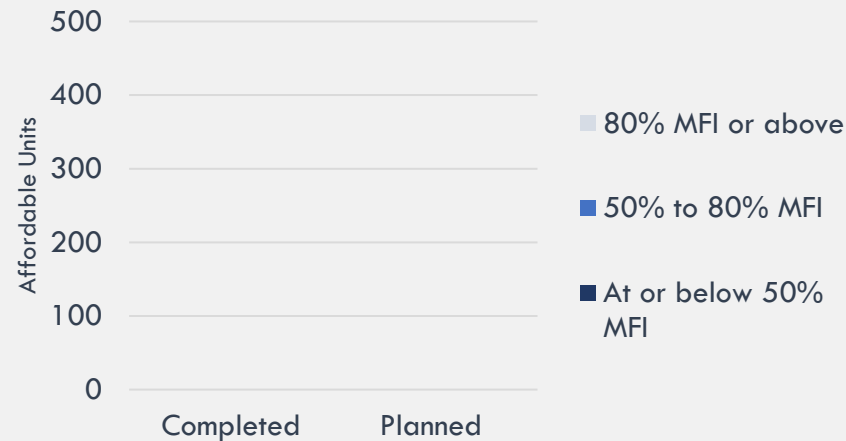
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Completed Affordable Units

28

Planned Affordable Units

Affordable Ownership Units Utilizing Micro Unit



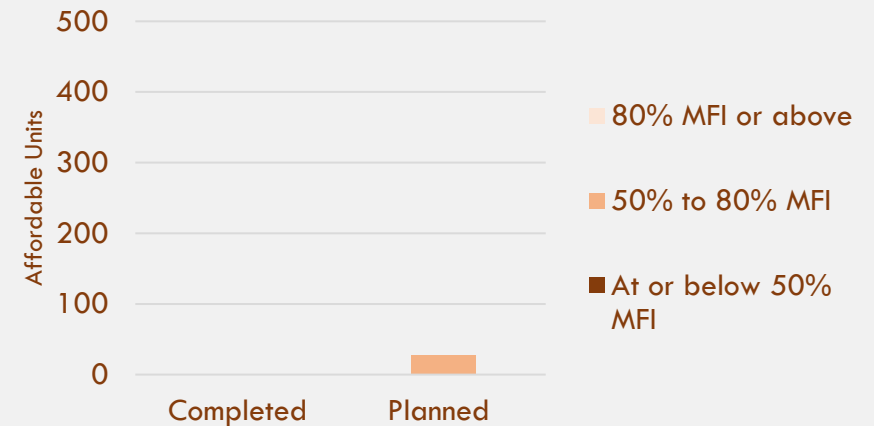
of Ownership Applications FY 2022-2023

0

Minimum Ownership Affordability Period

99 year

Income-Restricted Rental Units Utilizing Micro Unit



of Rental Applications FY 2022-2023

1

Minimum Rental Affordability Period

40 years

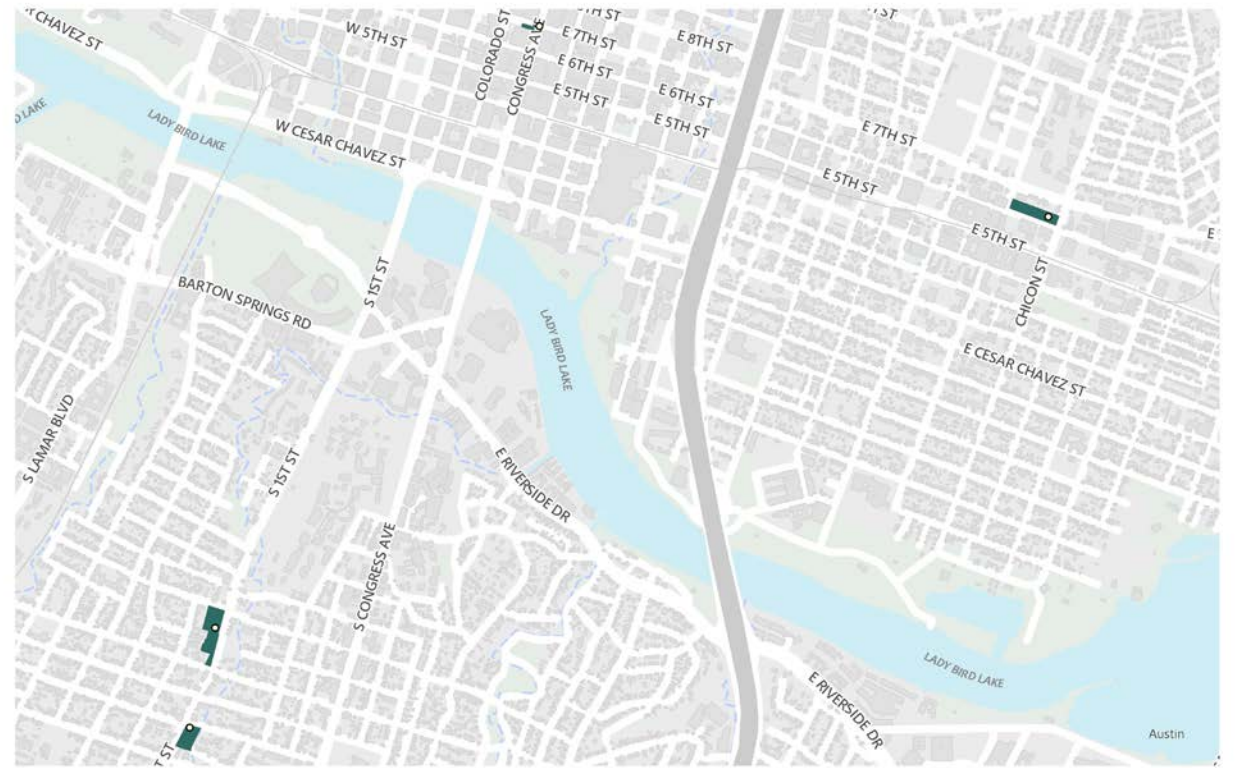
CITY OF AUSTIN: CITYWIDE DENSITY BONUS PROGRAMS

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.

Policy Considerations

- 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



Affordable Housing Units
○ 0-25

■ Microunit

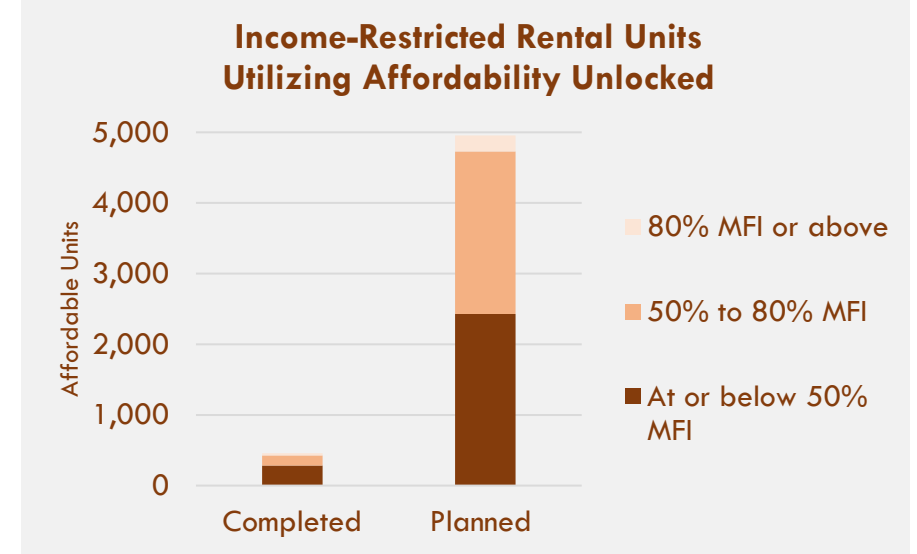
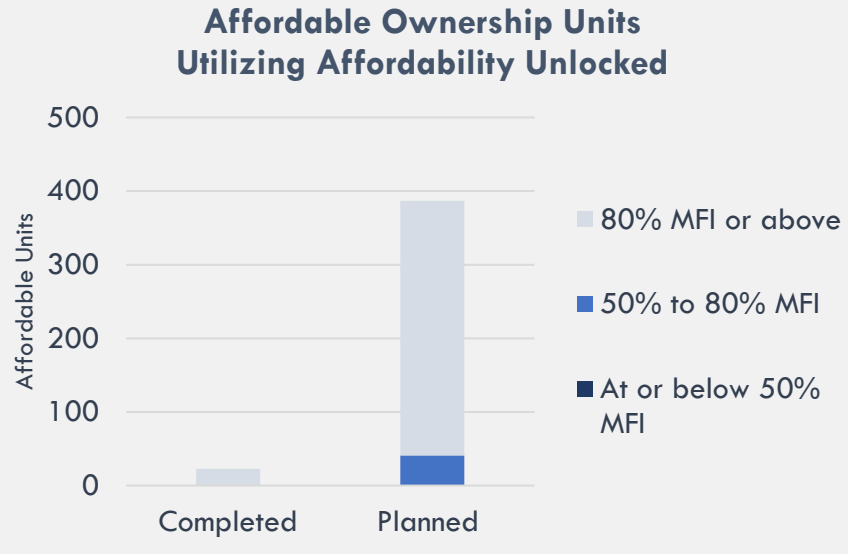
0 0.25 0.5 Miles

CITY OF AUSTIN: CITYWIDE DENSITY BONUS PROGRAMS

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.

481
Completed Affordable Units



5,343
Planned Affordable Units

of Ownership Applications FY 2022-2023

3

Minimum Ownership Affordability Period

99 year

of Rental Applications FY 2022-2023

18

Minimum Rental Affordability Period

40 years

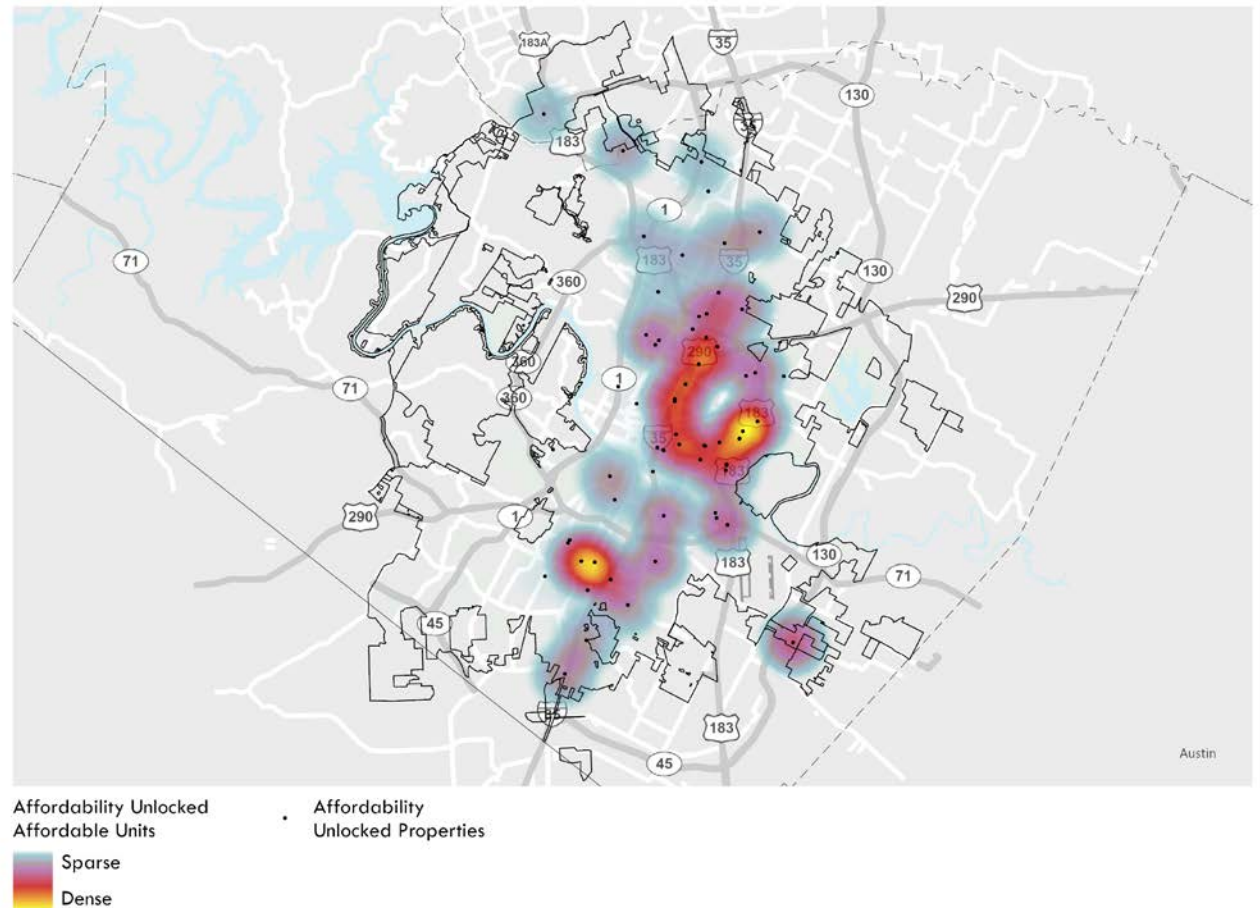
CITY OF AUSTIN: CITYWIDE DENSITY BONUS PROGRAMS

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.

Policy Considerations

- 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



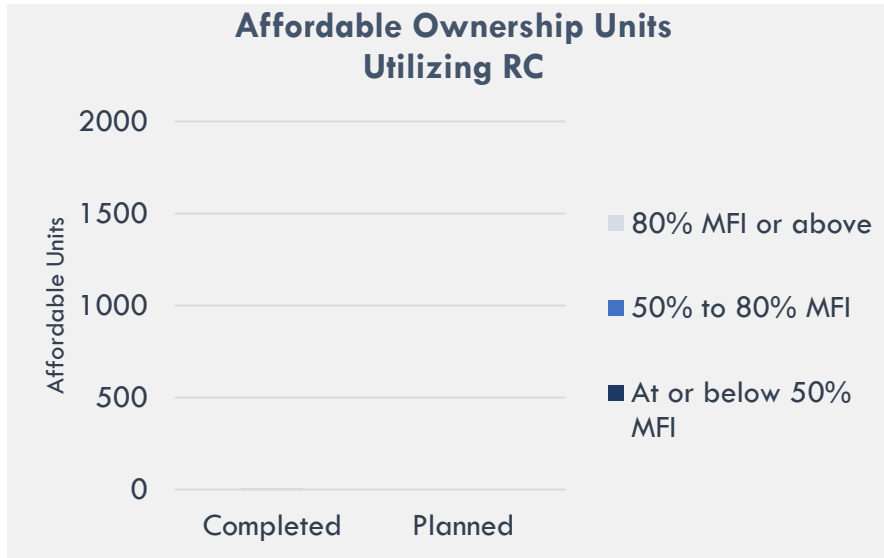
CITY OF AUSTIN: CITYWIDE DENSITY BONUS PROGRAMS

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.

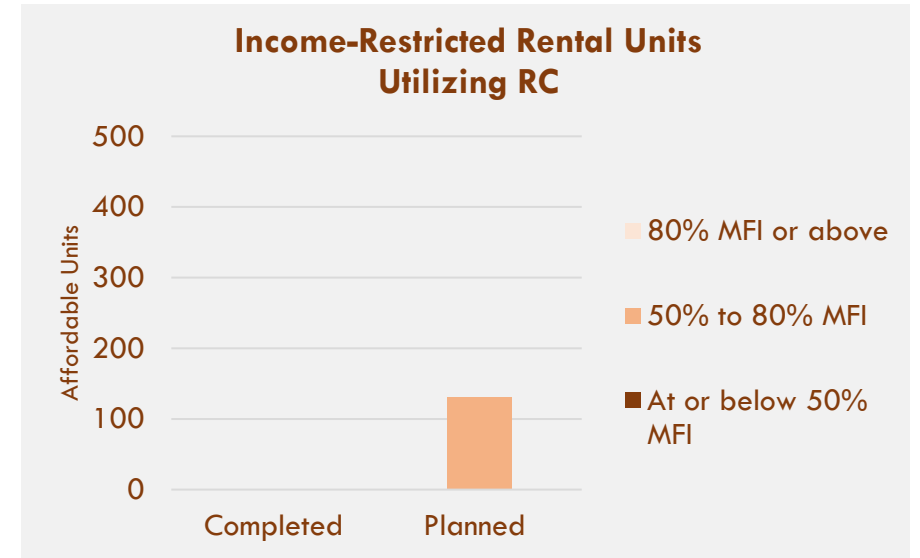
0
Completed Affordable Units

131
Planned Affordable Units



of Ownership Applications FY 2022-2023
0

Minimum Ownership Affordability Period
99 year



of Rental Applications FY 2022-2023
6

Minimum Rental Affordability Period
40 years

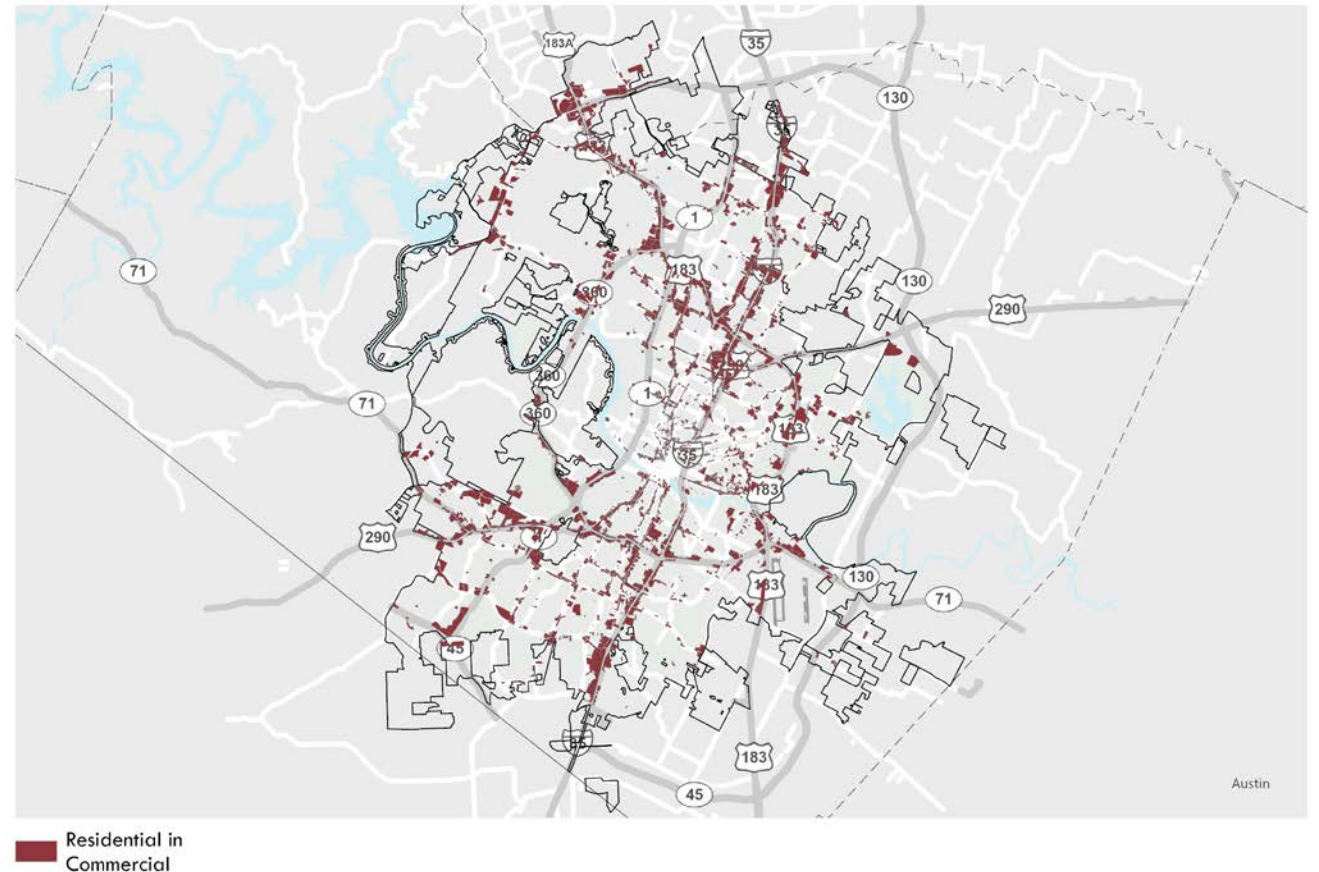
CITY OF AUSTIN: CITYWIDE DENSITY BONUS PROGRAMS

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.

Policy Considerations

- 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.



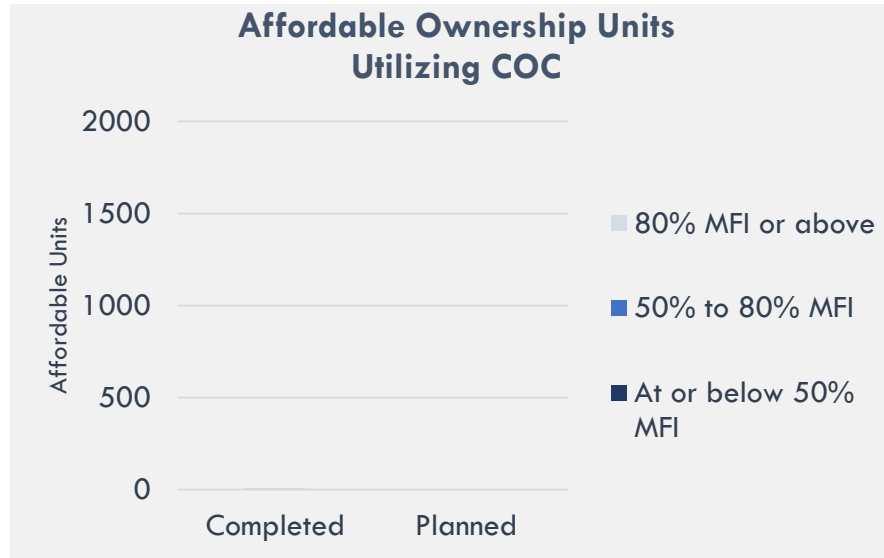
CITY OF AUSTIN: CITYWIDE DENSITY BONUS PROGRAMS

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.

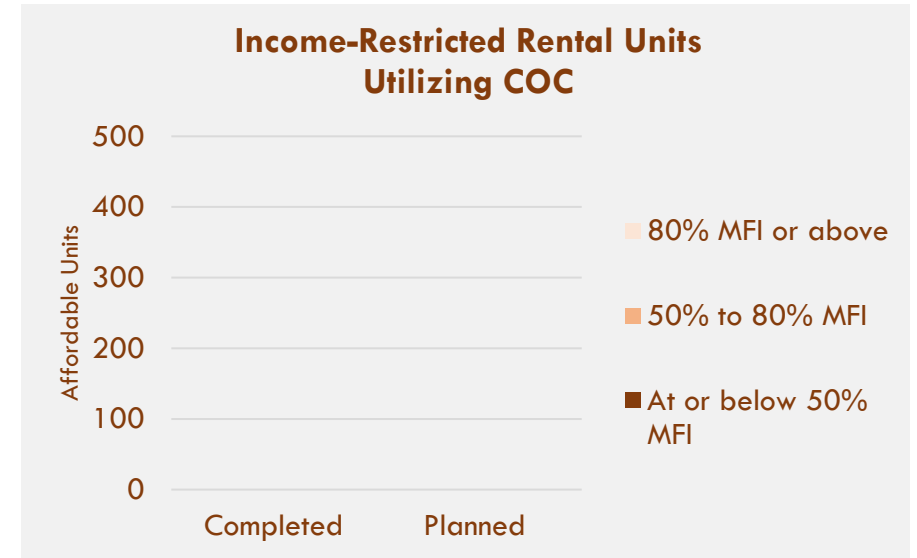
0
Completed Affordable Units

0
Planned Affordable Units



of Ownership Applications FY 2022-2023
0

Minimum Ownership Affordability Period
99 year



of Rental Applications FY 2022-2023
0

Minimum Rental Affordability Period
40 years

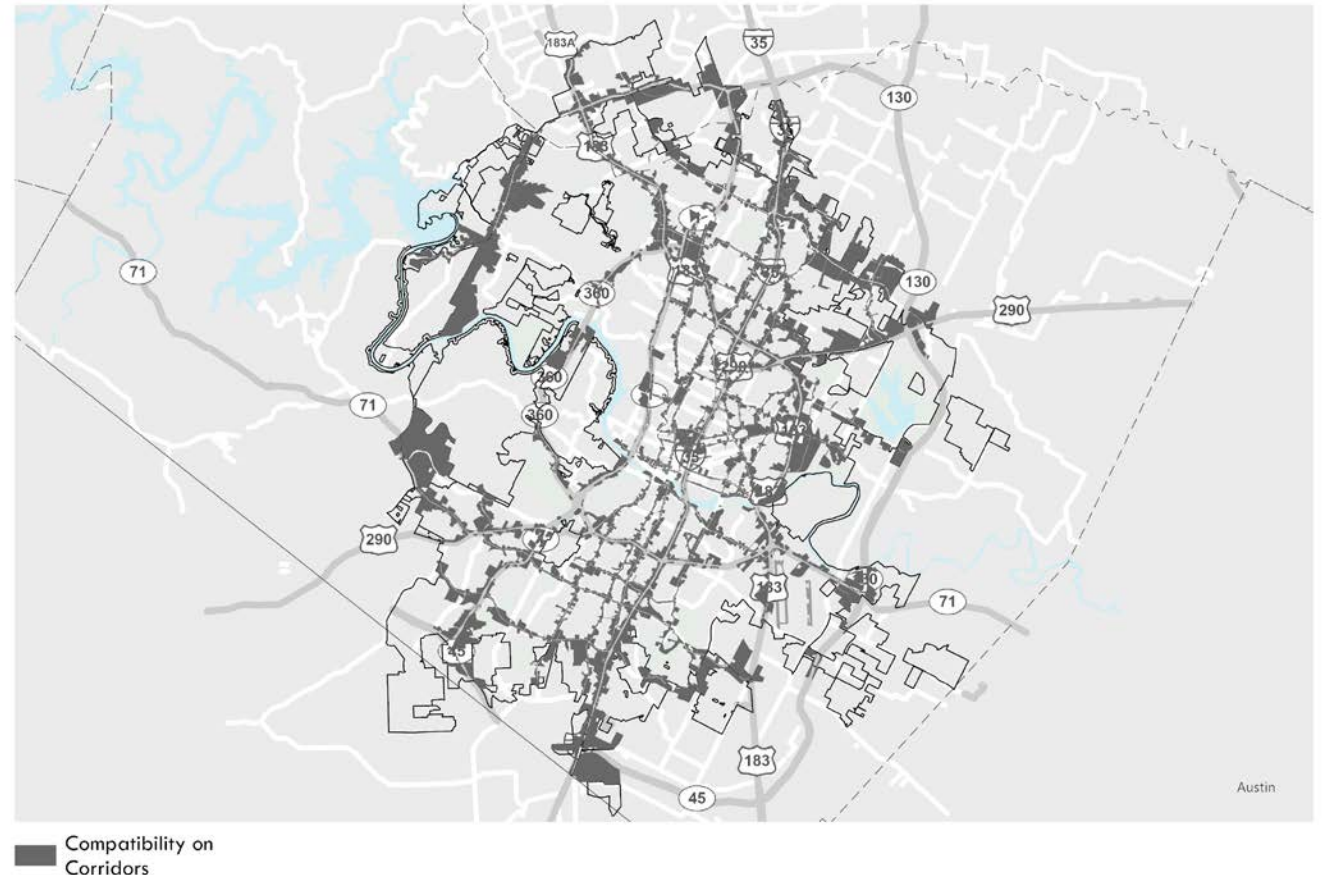
CITY OF AUSTIN: CITYWIDE DENSITY BONUS PROGRAMS

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.

Policy Considerations

- 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



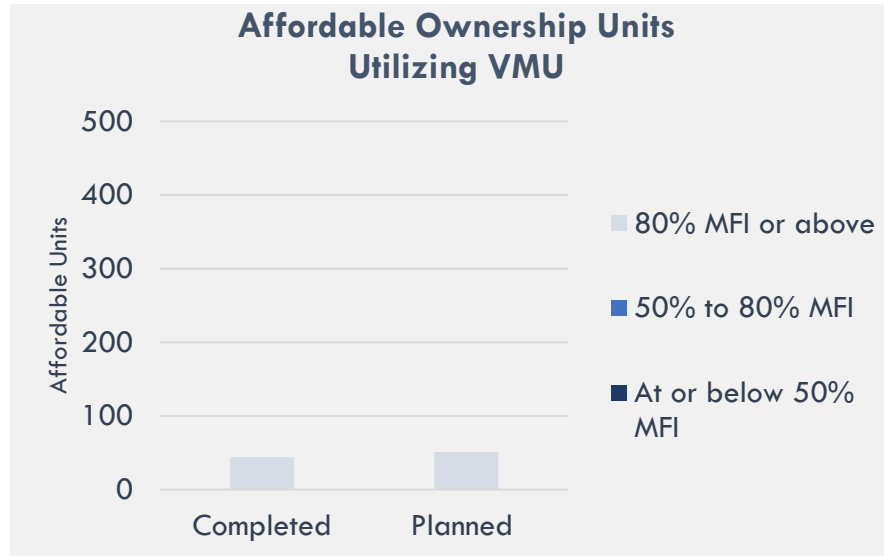
CITY OF AUSTIN: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

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.

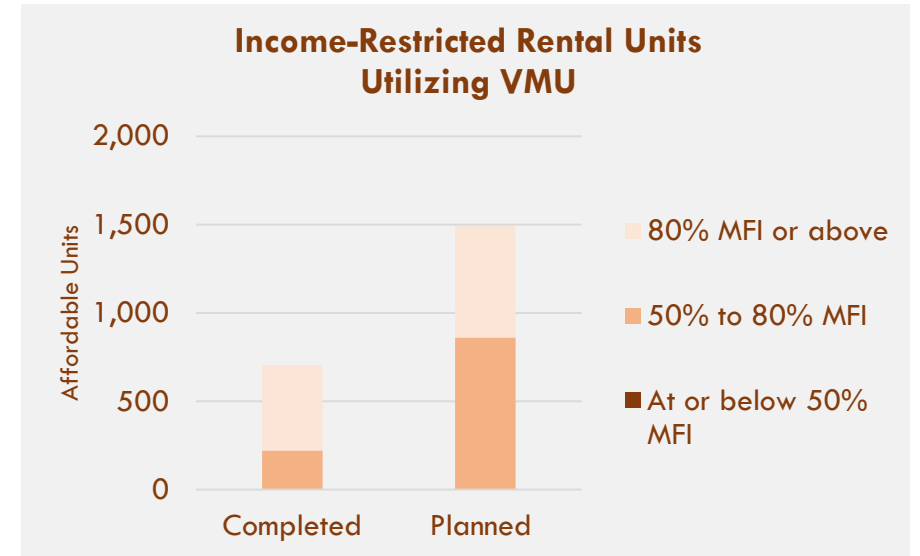
755
Completed Affordable Units

1,535
Planned Affordable Units



of Ownership Applications FY 2022-2023
0

Minimum Ownership Affordability Period
99 year



of Rental Applications FY 2022-2023
11

Minimum Rental Affordability Period
40 years

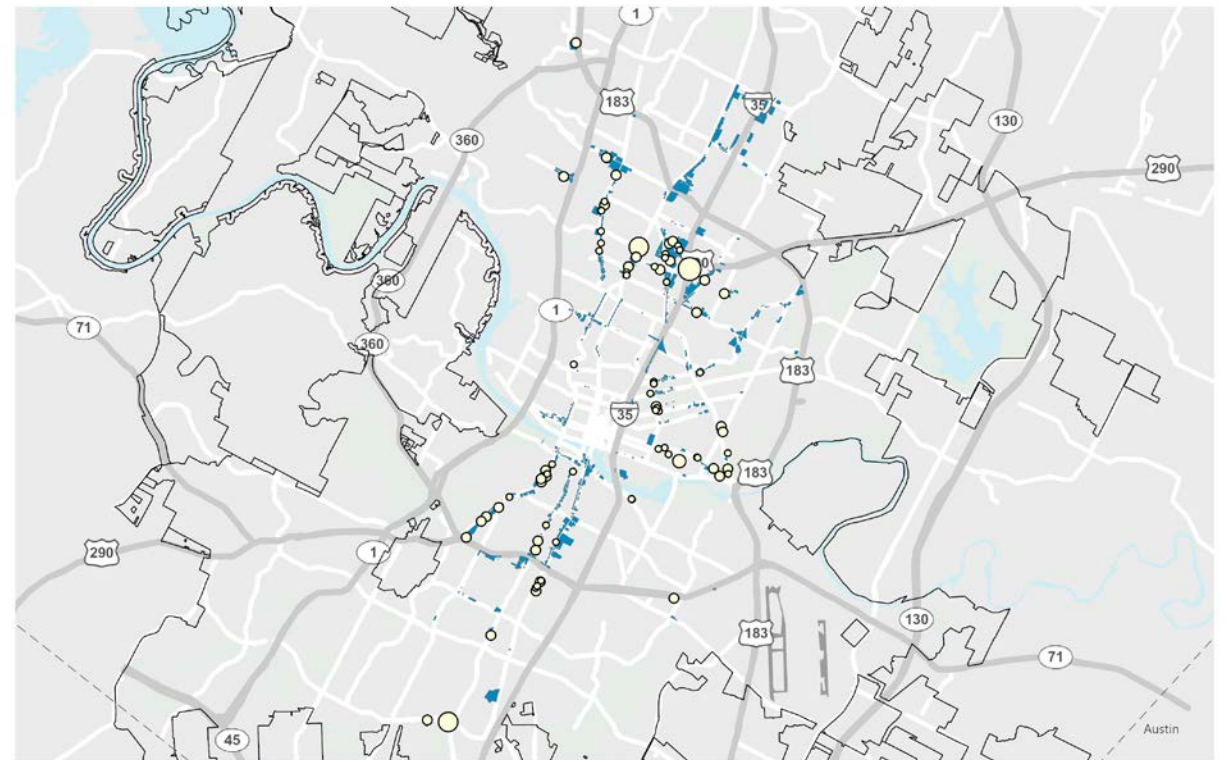
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VERTICAL MIXED USE (VMU), Est. 2010

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.

Policy Considerations

- 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



Affordable Housing Units VMU

- 0-25
- 25-50
- 51-100
- 151-200
- 201-350

0 1 2 3 4 5 Miles

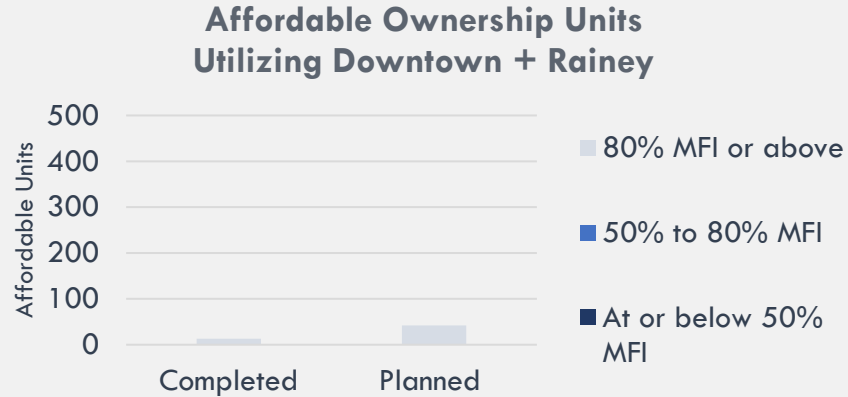
CITY OF AUSTIN: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

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.

81

Completed Affordable Units



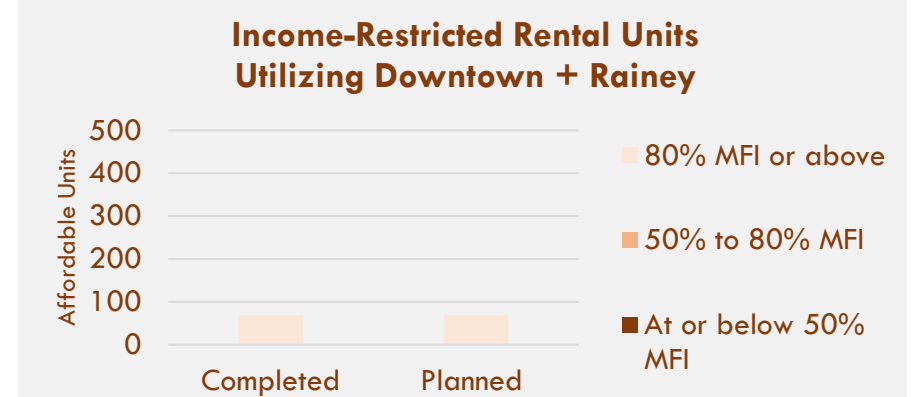
Ownership FIL Planned: \$2,169,460
Ownership FIL Completed: \$1,139,776

of Ownership Applications FY 2022-2023

2

Minimum Ownership Affordability Period

99 year



Rental FIL Planned: \$21,632,640
Rental FIL Completed: \$4,609,797

of Rental Applications FY 2022-2023

2

Minimum Rental Affordability Period

40 years

111

Planned Affordable Units

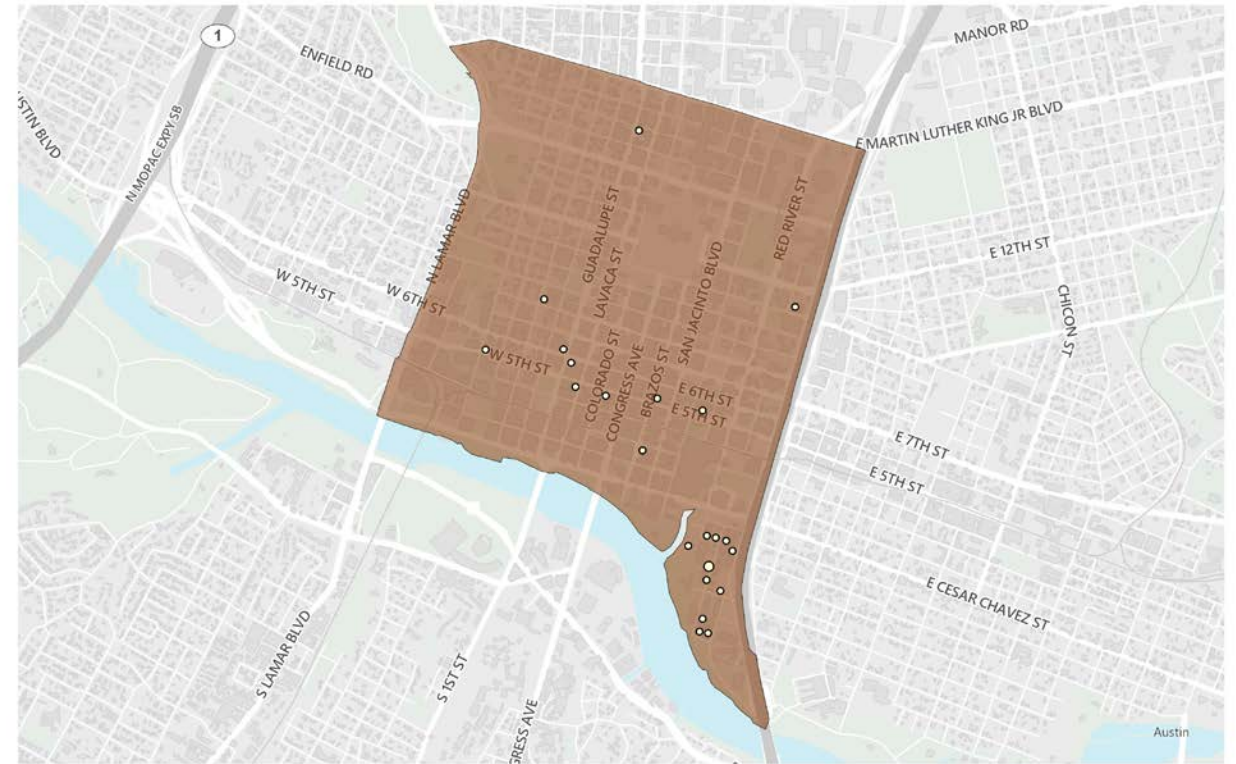
CITY OF AUSTIN: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

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.

Policy Considerations

- 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



Affordable Housing Units
○ 0-25
○ 25-50

Downtown/Rainey
■ Downtown/Rainey

0 0.25 0.5 0.75 1 Miles

CITY OF AUSTIN: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

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.

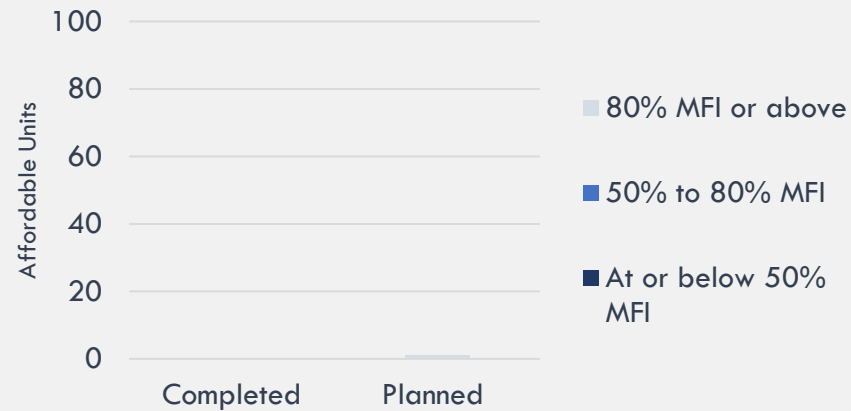
93

Completed Affordable Units

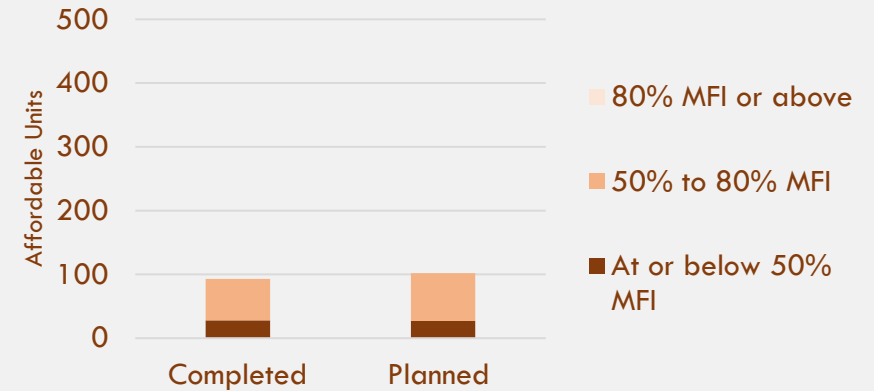
102

Planned Affordable Units

Affordable Ownership Units Utilizing East Riverside Corridor



Income-Restricted Rental Units Utilizing East Riverside Corridor



of Ownership Applications FY 2022-2023

0

Minimum Ownership Affordability Period

99 year

of Rental Applications FY 2022-2023

0

Minimum Rental Affordability Period

40 years

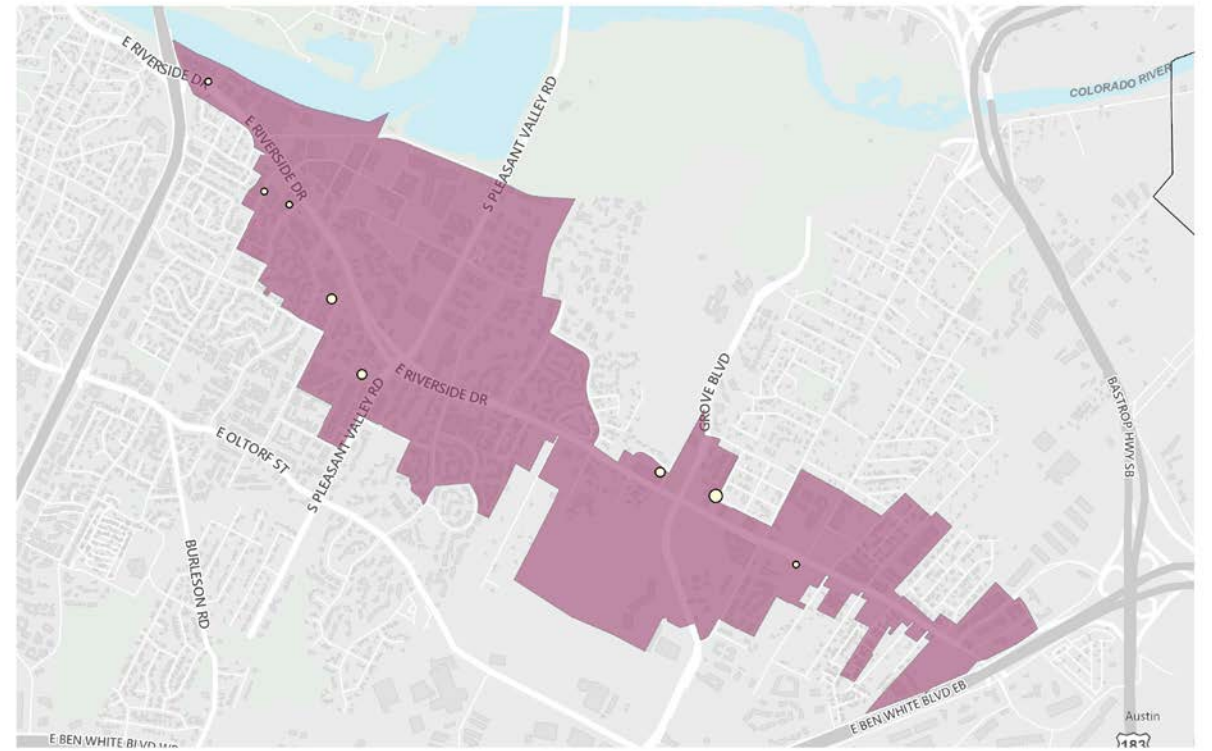
CITY OF AUSTIN: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

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.

Policy Considerations

- 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



Affordable Housing Units

- 0-25
- 25-50
- 51-100

East Riverside Corridor

0 0.25 0.5 0.75 1 Miles

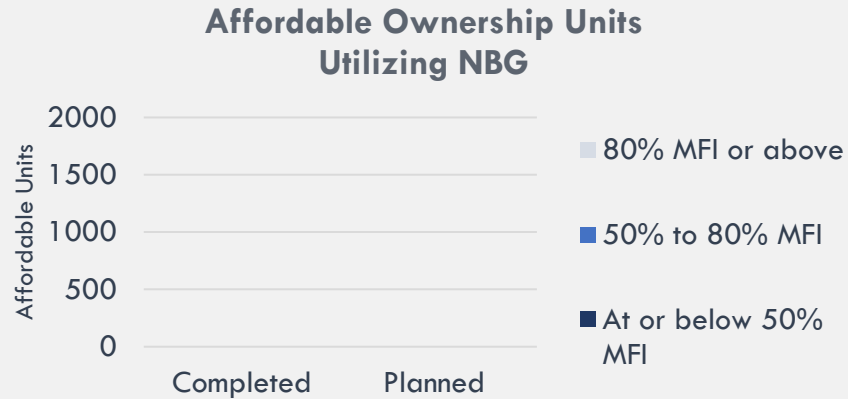
CITY OF AUSTIN: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

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

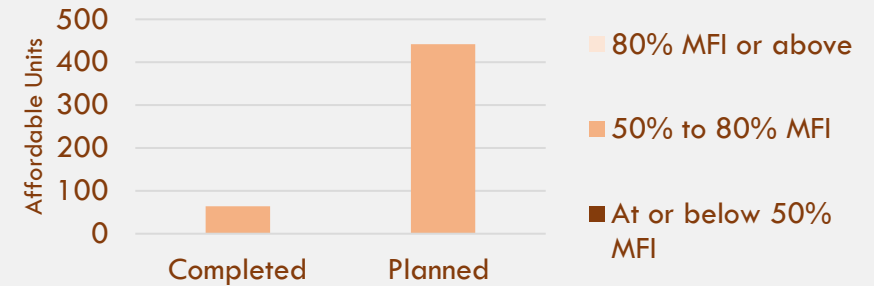
of Ownership Applications FY 2022-2023

0

Minimum Ownership Affordability Period

99 year

Income-Restricted Rental Units Utilizing NBG



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

CITY OF AUSTIN: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

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.

Policy Considerations

- Most planned and received benefits to-date 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 non-residential community benefits



Affordable Housing Units
○ 0-25
○ 25-50
○ 51-100

North Burnet-Gateway

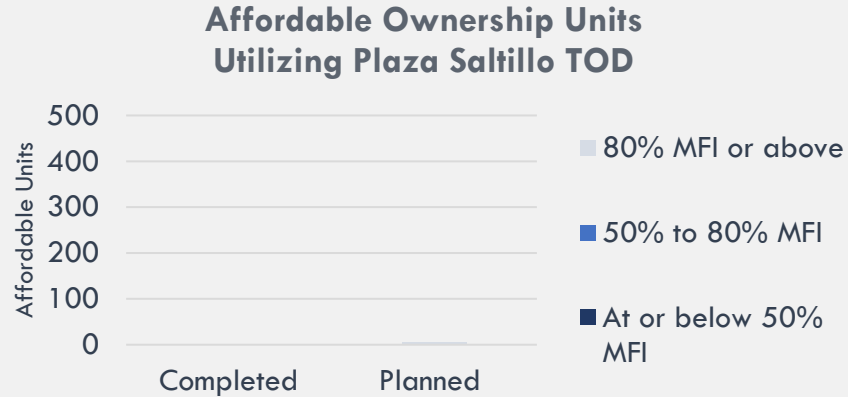
0 0.25 0.5 0.75 1 Miles

CITY OF AUSTIN: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

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



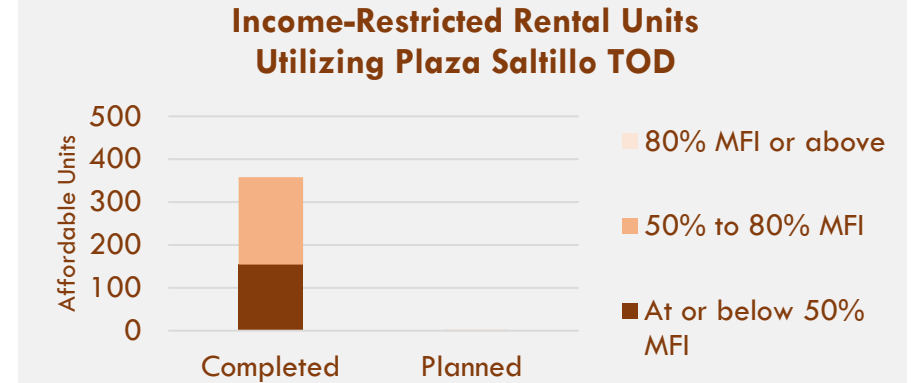
Ownership FIL Planned: \$0
Ownership FIL Completed: \$0

of Ownership Applications FY 2022-2023

0

Minimum Ownership Affordability Period

99 year



Rental FIL Planned: \$252,084
Rental FIL Completed: \$0

of Rental Applications FY 2022-2023

1

Minimum Rental Affordability Period

40 years

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

2
Planned Affordable Units

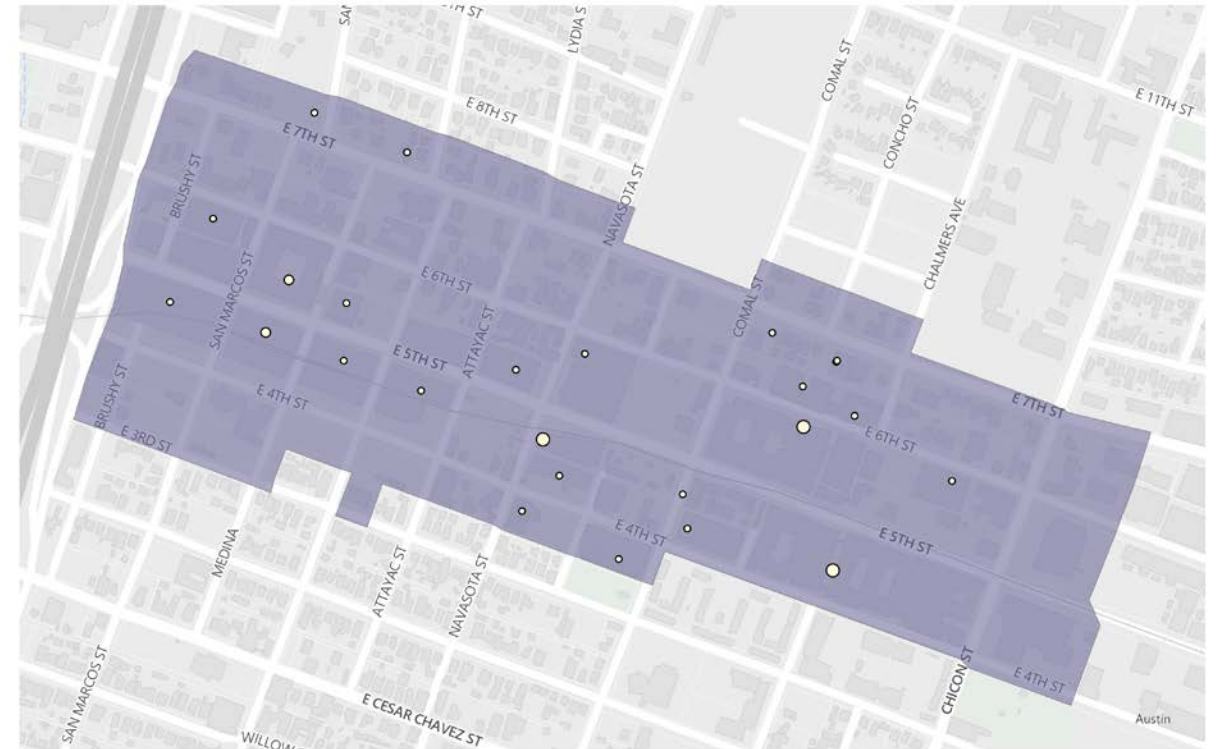
CITY OF AUSTIN: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

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.

Policy Considerations

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



Affordable Housing Units

- 0-25
- 25-50
- 51-100

Plaza Saltillo - TOD

0 0.25 0.5 Miles

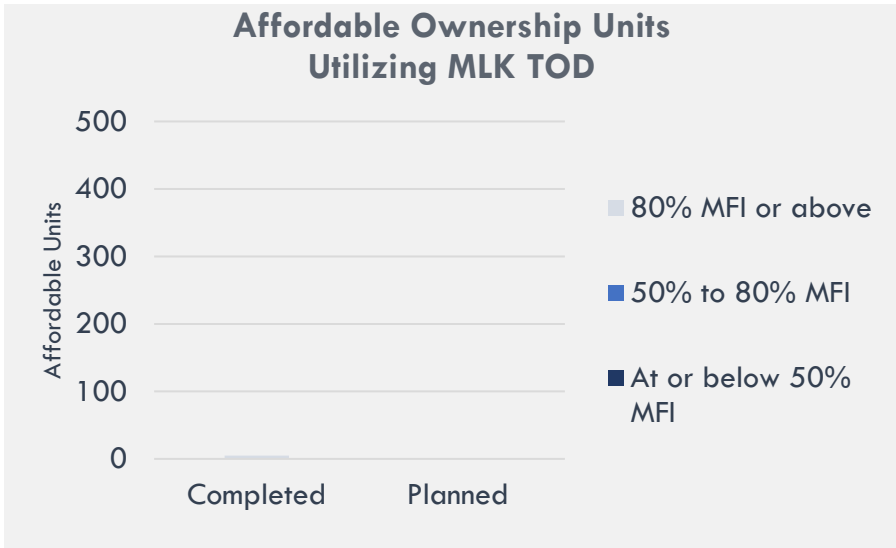
CITY OF AUSTIN: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

MLK TOD, Est. 2009

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

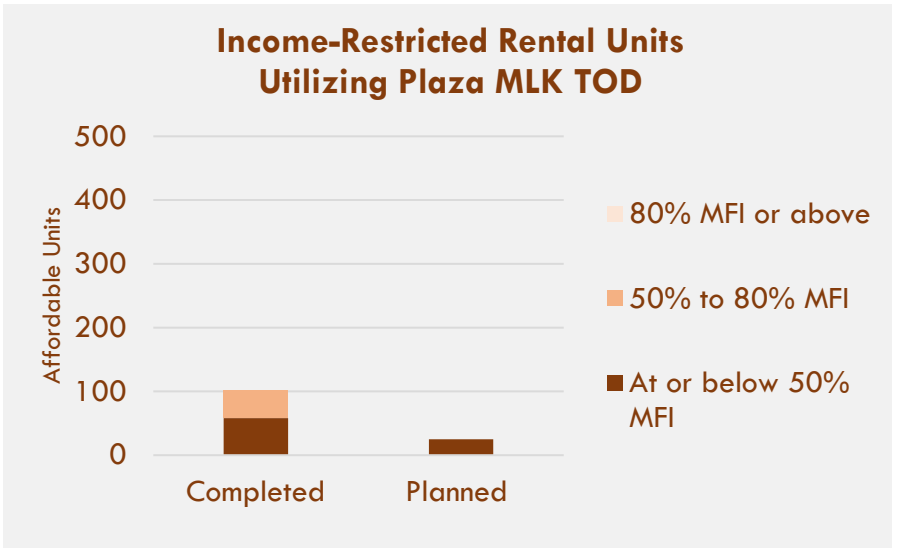
106
Completed Affordable Units

26
Planned Affordable Units



of Ownership Applications FY 2022-2023
0

Minimum Ownership Affordability Period
99 year



of Rental Applications FY 2022-2023
0

Minimum Rental Affordability Period
40 years

CITY OF AUSTIN: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

MLK TOD, Est. 2009

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

Policy Considerations

- Calibration needed to increase participation
- More consideration needed for non-residential community benefits



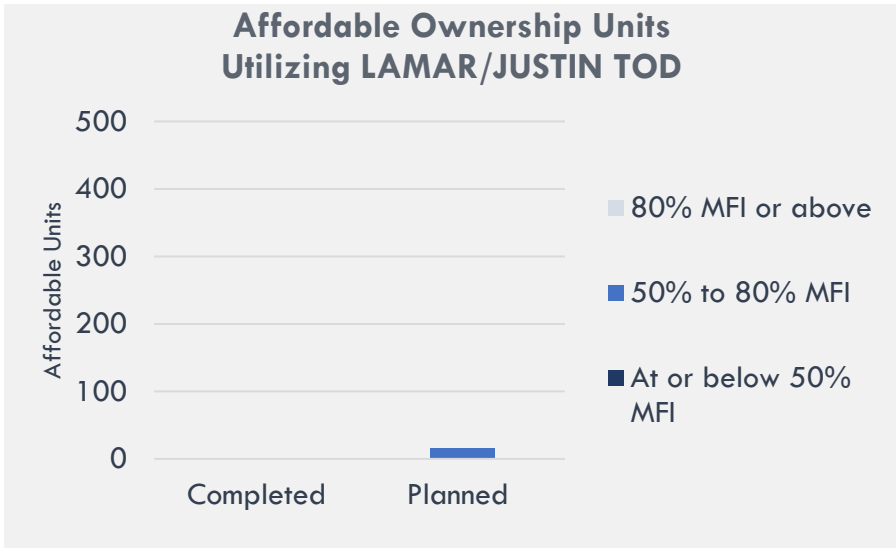
CITY OF AUSTIN: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

LAMAR/JUSTIN TOD, Est. 2009

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

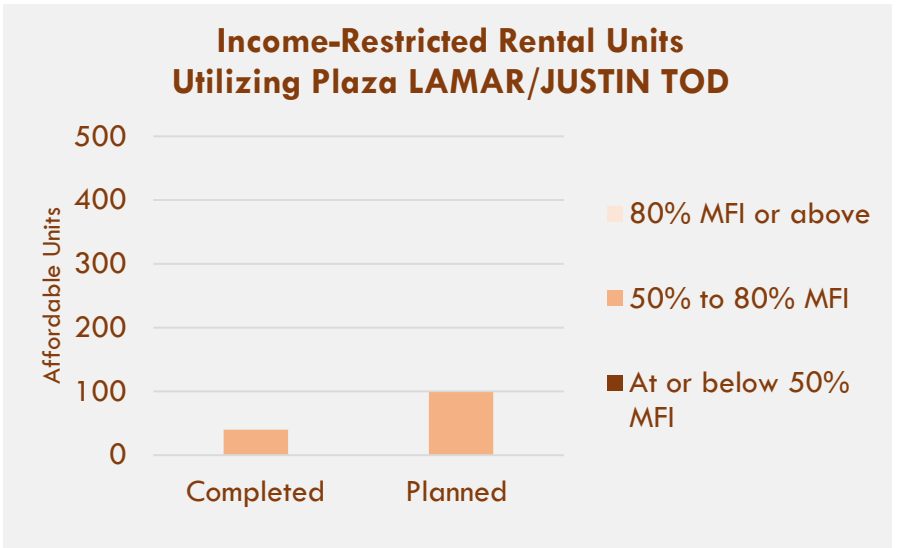
41
Completed Affordable Units

115
Planned Affordable Units



of Ownership Applications FY 2022-2023
0

Minimum Ownership Affordability Period
99 year



of Rental Applications FY 2022-2023
1

Minimum Rental Affordability Period
40 years

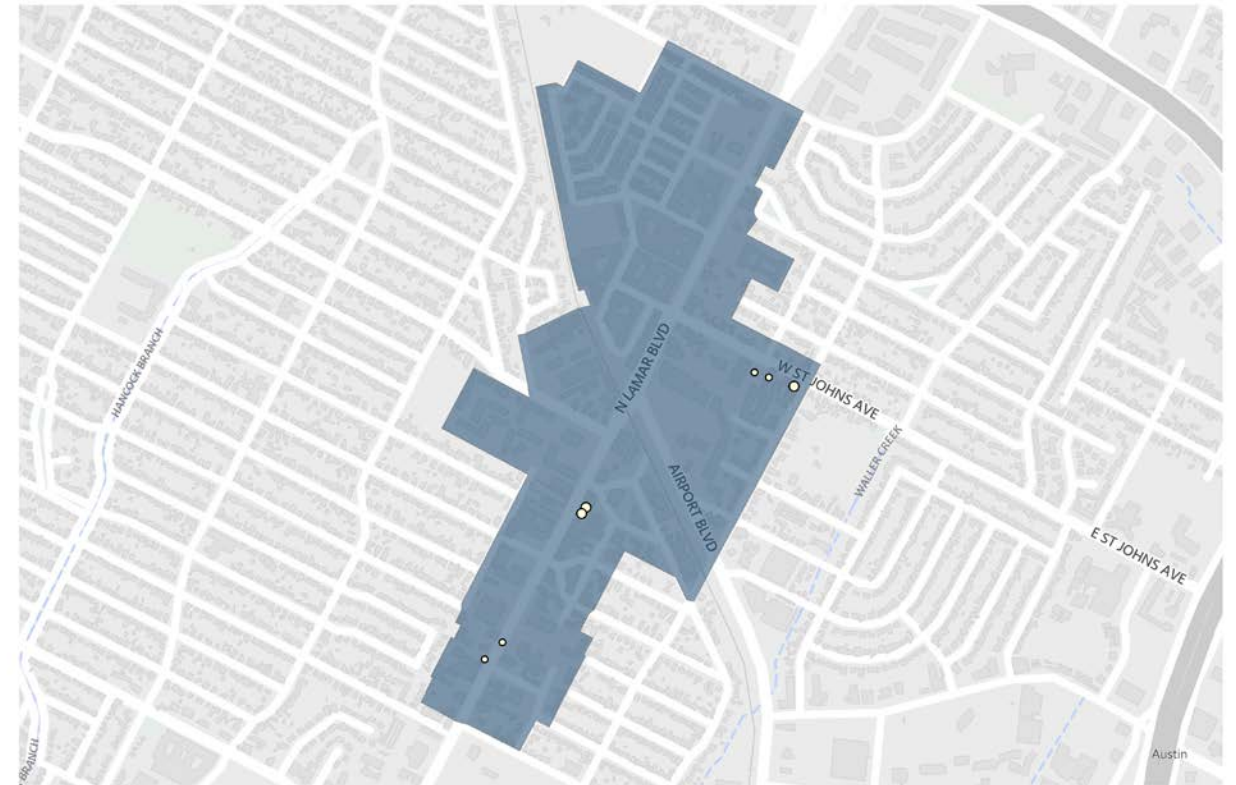
CITY OF AUSTIN: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

LAMAR/JUSTIN TOD, Est. 2009

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

Policy Considerations

- Calibration needed to increase participation
- More consideration needed for non-residential community benefits



Affordable Housing Units
○ 0-25
○ 25-50

0 0.25 0.5 Miles

CITY OF AUSTIN: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

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

Affordable Ownership Units Utilizing UNO



Fee-in-Lieu Planned: \$0
Completed: \$6,829

of Ownership
Applications FY
2022-2023

0

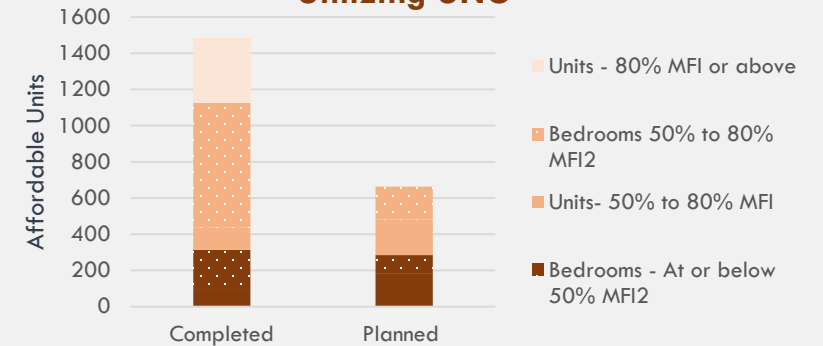
Minimum
Ownership
Affordability
Period (post
2/24/14)

40 years

Average
Ownership
Affordability
Period

15 years

Income-Restricted Rental Units Utilizing UNO



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

27 years

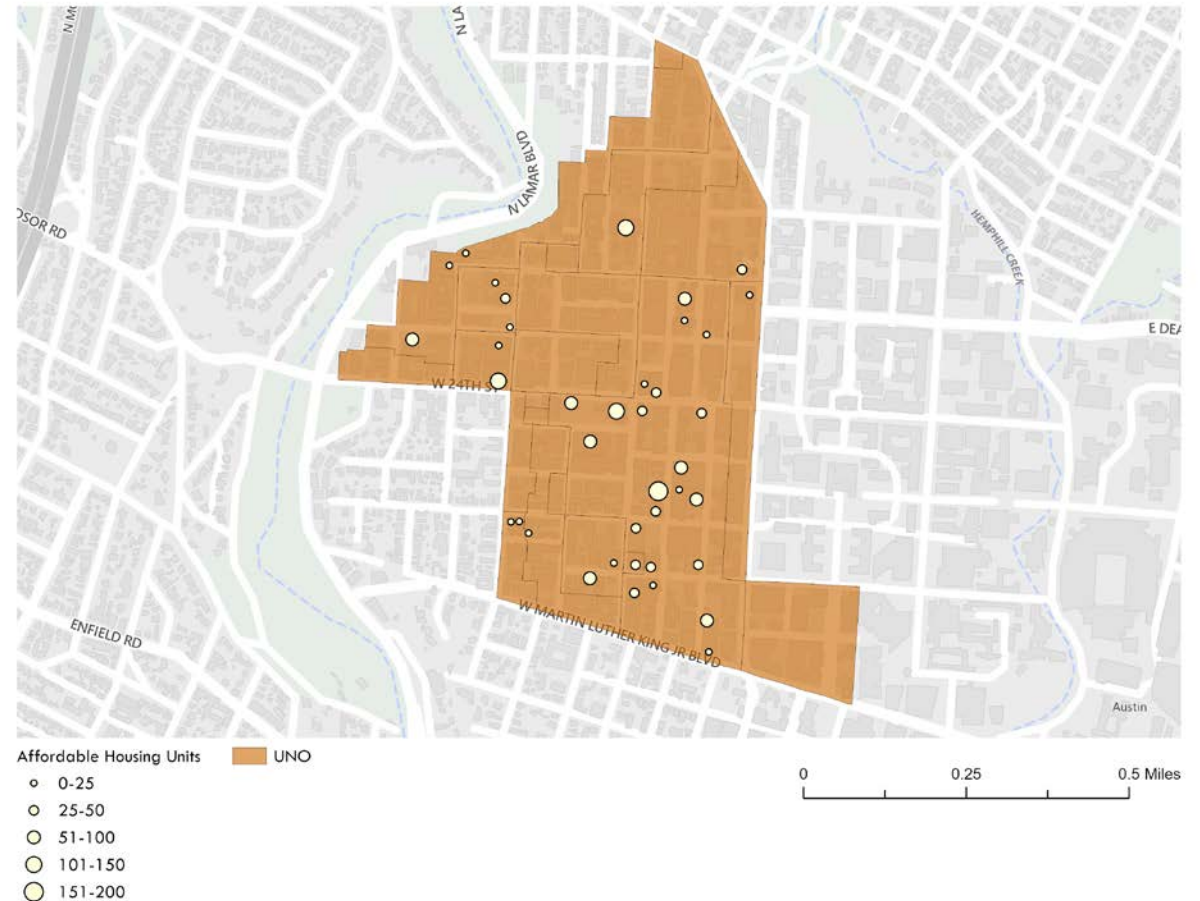
CITY OF AUSTIN: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

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.

Policy Considerations

- 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



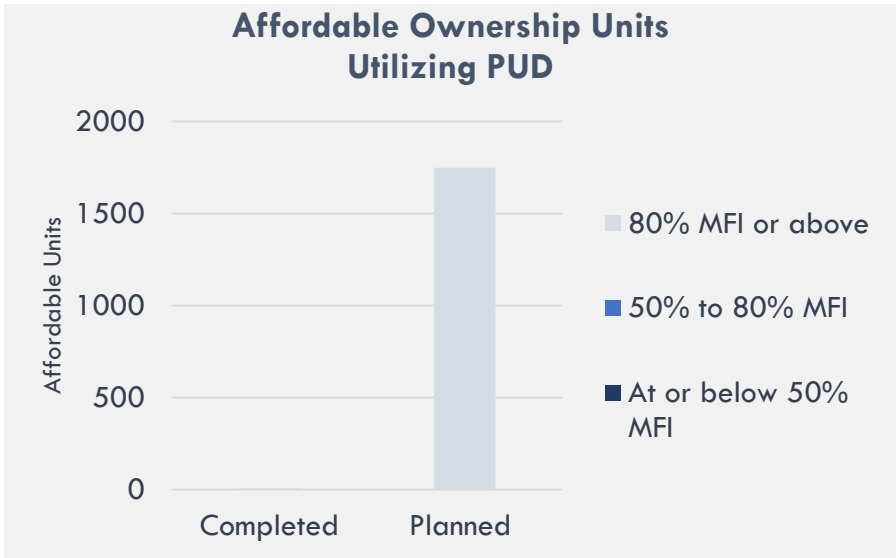
CITY OF AUSTIN: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

PLANNED UNIT DEVELOPMENT (PUD), Est. 2008

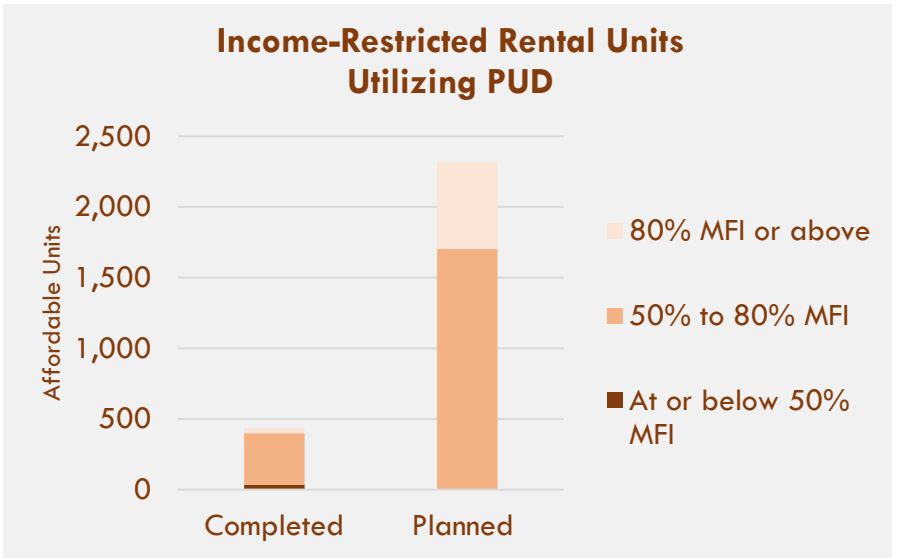
A custom zoning district for complex developments under unified control. Regulations must be superior to conventional zoning; affordable housing may be considered but not required.

414
Completed Affordable Units

4,066
Planned Affordable Units



Average Ownership Affordability Period
80 year



Average Rental Affordability Period
30 years

CITY OF AUSTIN: GEOGRAPHICALLY SPECIFIC DENSITY BONUS PROGRAMS

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.

Policy Considerations

- 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

		Planned		Completed	
		<i>(Certified Loan Executed or Building Permit Issued)</i>		<i>(Completed or Affordability Period Expired)</i>	
		Income-Restricted Units	Fee-in-Lieu Anticipated	Income-Restricted Units	Fee-in-Lieu Received
CITYWIDE	Micro Unit	28		1	
	Affordability Unlocked (AU)	5,343		481	
	Residential in Commercial	131 ²		0	
	Compatibility on Corridors	0		0	
GEOGRAPHICALLY SPECIFIC	Planned Unit Development (PUD)	3,779	Difficult to Forecast	414	\$15,163,210 ³
	Vertical Mixed Use (VMU)	1,535+156 ¹		755	
	Downtown + Rainey	111	\$23,802,100	81	\$6,541,027 ³
	East Riverside Corridor	102		93	
	North Burnet Gateway	442	\$13,814,612	64	\$4,872,181 ³
	Plaza Saltillo TOD	2	\$5,149,146	364	\$4,152,513 ³
	MLK TOD	26		106	
	Lamar/Justin TOD	115		41	
	University Neighborhood Overlay				
	Units	382	\$779,024	572	\$5,552,737 ³
Bedrooms	281		911		

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

¹Reflects participation in updated VMU Program (June 20, 2022 update); applications not yet certified

²Applications not yet certified

³Information retrieved 9/1/2023 from AIMS, the City's financial system