

Lines 30-36 - Revised text, no substantive changes.  
Lines 40-41 - Removed text related to tenants.

Item 36  
Version 2

**ORDINANCE NO.**

**AN ORDINANCE AMENDING SECTION 4-18-25 OF CITY CODE RELATED TO REQUIREMENTS THAT APPLY TO LAND USE RESTRICTION AGREEMENTS AND CERTIFICATION; ESTABLISHING FEE WAIVERS; AND AMENDING SECTION 4-18-32 TO REQUIRE RELOCATION SPECIALISTS ON-SITE.**

**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 Subsections (C) and (F) and to add a new Subsection (G) to read:

**§ 4-18-25 CERTIFICATION.**

- (C) Before a development application can be approved, [~~director may certify a proposed development~~], the applicant shall execute:
- (1) an agreement to preserve the minimum affordability period and related requirements imposed by the applicable program; and
  - (2) a document for recording in the real property records that provides notice of or preserves the minimum affordability requirements imposed by the applicable program.
- (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;

- 29 (7) limit the use of an affordable unit as a short-term rental (STR);
- 30 (8) require the applicant to incorporate lease provisions that give a right to  
31 organize that is consistent with:
- 32 (a) a tenant's right to organize under 24 C.F.R. 245.100;
- 33 (b) the lease addendum approved by [~~required as a condition to receive~~  
34 ~~City of~~] the director of Austin Housing, and [~~Finance Corporation~~  
35 ~~funds, or~~]
- 36 (c) any City Code requirement related to tenant protections; [~~and~~]
- 37 (9) address requirements in Section 4-18-26 (Fee Waivers);
- 38 (10) address any obligations described in Division 2 (Redevelopment  
39 Requirements), if applicable; and
- 40 (11) include any additional provisions deemed necessary by the director to ensure  
41 the purposes of the density and incentive bonus program are met.
- 42 (G) Development Application. In Subsection (C), a development application approval  
43 means:
- 44 (1) a site plan for the development is approved and released, or
- 45 (2) if a site plan is not required for the development, a building permit is  
46 approved.

47 **PART 2.** City Code Chapter 4-18, Article 2, Division 1 (*General Provisions*) is amended  
48 to add a new Section 4-18-26 to read:

49 **§ 4-18-26 FEE WAIVERS.**

- 50 (A) Article III, Section 52-a of the Texas Constitution and Section 380.001 of the  
51 Texas Local Government Code authorize fee waivers for economic development  
52 purposes.
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- 54

- 55 (B) A development that complies with the affordability requirements and affordability  
56 period required by the applicable program impacts economic development. Fee  
57 waivers provide an incentive to generate more affordable units.
- 58 (C) If a development includes on-site affordable units and is certified by the director of  
59 Austin Housing under Section 4-18-25 (*Certification*), the city manager, or their  
60 designee, may waive all or a portion of the fees required to develop housing.
- 61 (D) If the applicant or its successors and assigns fails to comply with the minimum  
62 applicable affordability requirement or affordability period, the applicant shall  
63 reimburse the City for all fees.

64 **PART 3.** City Code Section 4-18-32 (*Existing Multi-Family Structure*) is amended to  
65 amend Subsection (A) to read:

- 66 (A) For redevelopment with an existing multi-family structure, an applicant must:
- 67 (1) replace all existing units that were affordable to a household earning 70  
68 percent MFI or below in the later of the previous 12 months or latest lease  
69 term and have at least as many bedrooms as those units; and
- 70 (2) provide current tenants with:
- 71 (a) notice and information about the proposed development on a form  
72 approved by the housing director;
- 73 (b) relocation benefits that:
- 74 (i) equal four months of rent and fees; and
- 75 (ii) a fixed payment for moving expense that is consistent with  
76 Federal Uniform Relocation Assistance and Real Property  
77 Acquisition Policies Act of 1970, 42 U.S.C. 4601, et seq.; and
- 78 (3) grant current tenants the option to lease for a minimum of 12 months a unit  
79 of comparable number of bedrooms, and size following completion of  
80 redevelopment;
- 81 (4) allow a current tenant to terminate a lease without a penalty[; ~~and~~]
- 82

