

- 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 gives a right to
31 organize that is consistent with lease provisions that are 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:
- 41 (a) ensure the purposes of the density and incentive bonus program; and
- 42 (b) protect tenants who reside at developments that utilize a density and
43 incentive bonus program.
- 44 (G) Development Application. In Subsection (C), a development application approval
45 means:
- 46 (1) a site plan for the development is approved and released, or
- 47 (2) if a site plan is not required for the development, a building permit is
48 approved.

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

51 **§ 4-18-26 FEE WAIVERS.**

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

- 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 (5) return security deposits to current tenants; and

