

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

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

52 **§ 4-18-26 FEE WAIVERS.**

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

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

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

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

