



City of Austin

Recommendation for Action

File #: 25-0887, **Agenda Item #:** 63.

5/22/2025

Posting Language

Conduct a public hearing and consider an ordinance to amend City Code Title 25 (Land Development) provisions that apply to the City's S.M.A.R.T. Housing Program to modify median family income (MFI) requirements and eligibility criteria for fee waivers; allow for income averaging; and remove provisions applicable to other density bonus programs, community land trusts, and specific areas of the city for the required affordability period. Fiscal impact: This item has no fiscal impact.

Lead Department

Housing Department.

Prior Council Action:

On July 20, 2023, Council approved Resolution No. 20230720-129 that directed staff to make amendments to the S.M.A.R.T. Housing program. On February 1, 2024, Council approved Ordinance No. 20240201-053, which made fees eligible for a waiver under S.M.A.R.T. Housing part of the annual fee schedule.

For More Information:

Brendan Kennedy, Housing Department, Brendan.Kennedy@austintexas.gov, (512) 978-1594.

Council Committee, Boards and Commission Action:

April 16, 2025 - Recommended by Codes and Ordinances Joint Committee on a 4-0 vote.

April 29, 2025 - Recommended by Planning Commission on a 9-0 vote.

Additional Backup Information:

Case Number: C20-2023-037

Below is a summary of the S.M.A.R.T. Housing Updates Phase 2 code amendment:

- Require projects to provide units at 60 percent of the median family income (MFI) to be eligible for S.M.A.R.T. Housing instead of the current 80 percent MFI.
- Allow income averaging to increase flexibility.
- Require affordability restrictions to be executed prior to S.M.A.R.T. Housing certification.
- Remove an outdated and administratively infeasible provision related to exceptions for certain community land trust units.
- Remove outdated provisions or provisions which are inconsistent with the amendments listed above or which are superseded by separate sections of City Code.

Please see staff report and draft ordinance for more information on the proposed amendments.