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## ORDINANCE NO.

## AN ORDINANCE AMENDING CHAPTER 4-18 OF CITY CODE RELATED TO DENSITY BONUS AND INCENTIVE PROGRAMS.

## **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 Subsection (F) to read:

## § 4-18-25 CERTIFICATION.

- (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;
  - (7) limit the use of an affordable unit as a Type 2 or Type 3 short-term rental (STR);
  - (8) require the applicant to incorporate lease provisions that are consistent with a tenant's right to organize under 24 C.F.R. 245.100, the lease addendum required as a condition to receive City of Austin Housing Finance Corporation funds, or City Code requirement; and
  - (9) <u>if applicable</u>, address any obligations described in Division 2 (*Redevelopment Requirements*) and Division 3 (*Density Bonus Specific* <u>Additional Requirements</u>)[, if applicable].

Draft 5/23/2025

**PART 2.** City Code Chapter 4-18 (*General Permitting Standards*), Article 2 (*Density Bonus*) 29 and Incentive Programs), is amended to add a new Division 3 to read as follows: 30 Division 3. Density Bonus Specific Additional Requirements 31 § 4-18-34 DENSITY BONUS UNIVERSITY NEIGHBORHOOD OVERLAY 32 33 (DBUNO) REQUIREMENTS. This section applies to a property that is zoned with Density Bonus University (A) 34 Neighborhood Overlay (DBUNO) combining district and provides on-site 35 affordable units or affordable bedrooms. 36 37 **(B)** In this section, 38 (1)MFI- HOME RENT LIMIT means the maximum rent for an affordable 39 bedroom as established annually by the Texas Department of Housing and 40 Community Affairs as determined by the director of the Housing 41 Department. 42 DOUBLE-OCCUPANCY BEDROOM means the bedroom rental rate is (2)43 established for two people sharing the same room affordable bedroom. 44 The maximum rental rate for a double-occupancy bedroom is 55 percent of the (C) 45 MFI-Home Rent Limit. 46 47 (D) The agreement required in Section 4-18-25 (Certification) must also include the 48 following: 49 50 Decoupled Parking. Parking must be rented or sold separately from the 51 (1)affordable unit. Parking for an affordable unit may be rented or sold if the 52 cost of parking is optional and is rented or sold separately. 53 54 Early Leasing Restrictions. Except for a lease or lease renewal for group 55 (2)residential use, a lease or lease renewal for a dwelling unit shall include an 56 effective date for commencement of lease term not earlier than 150 days 57 prior to move-in date or earliest date tenant may take possession of the 58 dwelling unit. 59 60 (3)Delayed Move-In Provision. The applicant must agree to include certain 61 provisions related to delayed move-in within a lease for a residential unit. 62 In the event the move-in date is delayed, the lease must give the tenant the 63 option: 64 65 Draft 5/23/2025 Page 2 of 3 COA Law Department

56 57		(a)		minate the lease without nencement of lease term	t penalty prior to the effective dans; and	te for	
58		(b)	accep	ot:			
59 70 71			(i)		als to pro-rata daily rent amount welling unit is not ready due to o ; or		
72 73 74 75 76 77			(ii)	housing, including dail period of move-in dela incurred for meals and Reimbursement for exp	benses incurred in obtaining alter ly cost of alternate housing for the ay, plus reimbursement of expense moving and storage of tenant pr penses incurred, not including data ng, may not exceed \$6,000.00.	ne ses roperty.	
78 79			(iii)		nodation includes a hotel room, r l, or rental of a dwelling unit.	notel	
80 81	(E) Exterior Windows. Each designated bedroom in a dwelling unit must include a window on an exterior wall.						
82 83 84 85	(F) Each building in a development must achieve a two-star or greater rating under the Austin Energy Green Building program using the applicable rating version in effect at the time a rating registration application is submitted.						
86	PART 3.	This ordinar	nce take	es effect on	, 2025.		
87	PASSED AND APPROVED						
88 89 90				\$ \$ \$ \$			
91 92 93					Kirk Watson Mayor		
94 95 96 97	APPROV	D	eborah City Att	ATTEST Thomas torney	Erika Brady City Clerk		
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