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October 14, 2015

Dear Mayor Adler, Mayor Pro Tem Tovo, and City Council Members,

I am writing regarding items #36 and #53 on Thursday's agenda. HousingWorks Austin is supportive of the intent of Item 36 to remove the fee-in-lieu option across the city's density bonus programs, with the exception of the downtown density bonus program.

HousingWorks supports on-site affordability and believes the City of Austin has a responsibility to affirmatively advance fair housing. On-site affordable housing helps to achieve geographic dispersion and facilitate affordability in higher opportunity areas.

Last year, the city's Housing-Transit-Jobs Action Team recommended the elimination of density bonus program fee-in-lieu options to the Comprehensive Planning and Transportation Committee. Doing this will help align the City of Austin's programs and policies with the Federal Transit Administration's New Starts guidelines. This will be critical as we leverage local dollars with federal dollars for high capacity transit.

In addition, it is essential that the density bonus programs are revisited on a regular basis and that program requirements, including any fees, are calibrated frequently enough to be responsive to changes in the market.

Regarding Item #53 (Multifamily Residential Interim Density Bonus), density bonus programs can be an effective method to incentivize inclusive housing development. As an example, the Vertical Mixed Use (VMU) program currently has resulted in nearly 400 affordable units, either on the ground or in the development phase. VMU developments are located on core transit corridors and provide a vital connection between housing and high capacity transit.

Item #53 contemplates a density bonus program within the MF-6 zoning category that would provide increased entitlements (similar to VMU), in exchange for affordability. While the details of the program remain to be seen, HousingWorks supports the premise that increased entitlements should be accompanied by meaningful community benefits; especially affordable housing. Similar to Item #36, this proposed resolution is a mechanism to incentivize affordable housing in high opportunity areas throughout the city, without any direct subsidy.

Thank you for your commitment to affordability. If you have any questions, or require any additional information, please do not hesitate to contact me at (512) 454-1444.

Sincerely,

Mandy De Mayo

Executive Director