

The HOME Initiative (Home Options for Middle-income Empowerment) is one suite of proposals put forward primarily by CM Leslie Pool (District 7) and co-sponsored by Mayor Pro Tem Paige Ellis. The resolution to draft amendments passed 9-2 at the 20 June 2023 City Council Meeting.

While no one ordinance can solve such a massive housing affordability crisis, these modest code changes will give architects, builders, homeowners, and community organizations new, powerful tools to increase housing that reflects the principles of Design for Equitable Communities, Design for Integration, and Design for Well-being.

Phase 1 of the HOME Initiative comprises three changes to the Land Development Code:

- ↑ **Establish a new Three-Unit Residential Use.** This Use would be permitted on SF-1, SF-2, and SF-3 lots and exempt from Subchapter F (McMansion).
- ↑ **Revise the uses that allow for two units.** Two-Family Residential Use (the LDC terminology for ADUs) would be renamed to Two-Unit Residential Use and absorb the other two-unit uses. This Use would also be exempt from Subchapter F (McMansion) and made more flexible by removing the complex ADU-specific regulations.
- ↑ **Remove unrelated adult occupancy restrictions.** The discriminatory LDC Section 25-2-511 would be deleted entirely. The valid health and safety concerns for occupancy would remain governed by the more appropriate mechanisms of Texas Property Code 92.010 and the International Property Maintenance Codes.

AIA Austin Housing Advocacy conducted intense research and modelling over the past few months to assess the potential uses and outcomes of the proposed changes. In consultation with our neighbors, clients, community organizations, professional colleagues, builders, developers, and city staff and elected officials, we have worked to find a balanced approach to these changes that will meet their goals.

For the proposed Two-Unit and Three-Unit Residential uses to have the desired effects of increasing the diversity of housing types, generating houses below 2000 sf (which currently constitute less than 25% of new construction), and allowing for more family-friendly middle-income housing, all in ways that contribute to downward pressure on housing prices, the regulations for these uses need to be balanced. They should not decrease entitlement on any property while incentivizing the adoption of Two- and Three-Unit Residential through FAR increases and simplified regulations and permit review.

Replace Subchapter F limits to FAR and formal constraints with a simplified FAR limit that accounts for exemptions above the 0.40 FAR by setting an effective limit (based on the 90th percentile of new construction on lots 5,750 sf or greater) and a 0.10 FAR increase per additional unit. The limit must also include a “floor” based on the FAR of a minimum legal-sized lot that applies to smaller lots:

- ↑ **ADOPT FAR LIMIT OF THE LARGER OF 0.55 OR 3,200 SF FOR TWO-UNIT RESIDENTIAL (PC AMENDMENT, REJECT STAFF FAR LIMITS OPTION 2)**
- ↑ **ADOPT FAR LIMIT OF THE LARGER OF 0.65 OR 4,350 SF FOR THREE-UNIT RESIDENTIAL (REVISED PC AMENDMENT)**

NOTE: The floor for Three-Unit residential is raised by an allowance of three garages to make the construction more feasible based on design and financial modeling. This increase does not need to be used to create a garage.

To prevent abuse of the increased FAR to build larger (and more expensive) single units than currently allowed:

- ↑ **LIMIT THE FAR OF ANY SINGLE UNIT IN TWO- OR THREE-UNIT RESIDENTIAL TO THE LARGER 0.40 FAR OR 2,300 SF (PC AMENDMENT)**

Since the FAR limits already account for the Subchapter F Garage exemptions, additional allowances for parking must not be added; doing so would increase the sizes beyond the balanced FAR gradient and result in more expensive housing that incentivizes larger parking areas:

- ↑ **REJECT PARKING EXEMPTIONS IN ADDITION TO INCREASED FAR (PC AMENDMENT)**
- ↑ **INCLUDE PARKING IN FAR DEFINITION FOR THESE USES ONLY (STAFF FAR LIMITS OPTION 1)**

With Subchapter F waived, setback benefits would be lost that would disincentivize Two- and Three-Unit Residential Uses compared to Single-Family. These should be adopted in simplified forms that more equitably apply to all lots, along with a comparable revision to Street Side Yards, which is critical for the feasibility of multi-unit sites:

- ↑ **SET FRONT YARD SETBACKS TO 15' (REVISED PC AMENDMENT) OR 20' WITH 5' ENCROACHMENT FOR PORCHES (STAFF RECOMMENDATION)**
- ↑ **SET REAR YARDS TO 5' WHEN ON AN ALLEY OR ADJACENT TO PROPERTIES NOT ZONED SF (PC AMENDMENT)**
- ↑ **SET STREET SIDE YARDS TO THE GREATER OF 5' OR 10' FROM FACE OF CURB (REVISED PC AMENDMENT)**

AIA Austin Housing Advocacy also supports these complementary amendments:

- ↑ **REMOVE DUPLEX AS DISTINCT ZONING USE FROM TWO-UNIT RESIDENTIAL (PC AMENDMENT)**
- ↑ **ADOPT PRESERVATION AND SUSTAINABILITY BONUSES AS PROPOSED (PC AMENDMENT)**