

OVERVIEW: S.M.A.R.T. HOUSING™ FEE EXEMPTION PROGRAM

GOALS

- Promote the development of **S.M.A.R.T. Housing™** by providing waivers of development fees (including Permit, Capital Recovery, Construction Inspection, and Parkland Dedication).
- Use public resources to leverage private investment.
- Stimulate the development of housing on vacant lots in new and existing subdivisions.
- Promote the use of existing City infrastructure and services.
- Promote the creation of alternative funding sources for the development of **S.M.A.R.T.** (Safe, Mixed-Income, Accessible, Reasonably-Priced, and Transit-Oriented) **Housing™**.

MINIMUM REQUIREMENTS

1. **Viable Land within City Limits.** Developers must have site control of land/lots located within the city limits of Austin. If zoning is not in place, the applicant must contact registered neighborhood associations and address neighborhood concerns prior to filing a zoning application. For a development on land that lies within a **Municipal Utility District within a limited purpose annexation area**, the City Council must approve fee waivers.
2. **Completed on Schedule.** Single-family units on infill lots receiving fee exemptions must be completed, sold, and occupied within 15 months of the execution of a contract with the City and/or AHFC. Multi-family units and single-family units in new subdivisions must be completed, sold, and/or occupied within 24 months.
3. **Reasonably-priced Units.** Units designated as “reasonably-priced” must be must be rented or sold to families who earn no more than 80% of Austin’s median family income (MFI)¹ for the Austin metropolitan statistical area as determined by the NHCD director, and who spend no more than 30% of their family income on housing or up to 35% if a household member receives City-approved homebuyer counseling (unless the household complies with other federal, state, or local income eligibility standards). Mixed income projects are encouraged.
4. **Affordability Period.** All designated “reasonably-priced” units must be “reasonably-priced” at initial occupancy and must remain “reasonably-priced” for at least five years (for multi-family units) or one year (for single-family homeownership units without federal assistance). Failure to meet the requirements on “reasonably-priced” designated units during the affordability period will require repayment of all waived fees, with interest. Compliance for rental units may be monitored in accordance with tax credit or bond rules or state/federal monitoring standards. An increase in an eligible occupant’s household income subsequent to original occupancy does not preclude the unit

¹ Some related policy initiatives – including Vertical Mixed Use and CBD/DMU – establish a different maximum income threshold for housing units, and may have affordability periods that exceed S.M.A.R.T. Housing™ requirements.

from being counted as one of the “reasonably-priced” units unless this income increase is a result of additional occupants with income moving into the unit.

5. **Green Building.** Builder must certify that all units will comply with the City’s Green Building Program and obtain Austin Energy approval of plans and final inspection prior to occupancy.
6. **Accessibility / Visitability.** All projects must meet accessibility standards established in the **S.M.A.R.T. Housing™** Ordinance. All single-family, duplex, and triplex construction must meet the Visitability standards prescribed by Chapter 5-1, Article 3, Division 2.
7. **Execution of Agreement (if applicable).** The Owner/Applicant/Developer may be required to execute an agreement, restrictive covenant or other binding restriction on land use that preserves affordability in accordance with program requirements. The agreement may include:
 - Terms that require a defaulting applicant to pay the otherwise applicable fees;
 - Liquidated damages in an amount up to twice the amount of fees waived, being such an amount that will fairly compensate the City for (a) administrative costs incurred; and (b) any breach that results in the loss of reasonably-priced dwelling units during affordability period.

EVALUATION CRITERIA

Fee waivers are limited and will be allocated on a first-come, first-serve basis. Fee waivers are not available for owners with outstanding Housing Code violations or violations on accessibility issues on units or projects on which they are affiliated with the owning entity.

PROCESS

Expedited review of **S.M.A.R.T. Housing™** projects is available if the applicant’s design team meets response times.

For more information on this program and other incentives for the construction of reasonably-priced housing in Austin, please refer to the **S.M.A.R.T. Housing™ Guide** (available at <http://www.cityofaustin.org/ahfc/smart.htm>), or contact City of Austin staff at:

Neighborhood Housing and Community Development, (512) 974-3100 or NHCD@ci.austin.tx.us
Gina Copic, S.M.A.R.T. Housing™ Manager, (512) 974-3180 or regina.copic@ci.austin.tx.us
Stuart Hersh, S.M.A.R.T. Housing™, (512) 974-3154 or stuart.hersh@ci.austin.tx.us
Steve Barney, S.M.A.R.T. Housing™, (512) 974-3126 or steve.barney@ci.austin.tx.us
Maneesh Chaku, S.M.A.R.T. Housing™, (512) 974-3137, maneesh.chaku@ci.austin.tx.us

The AHFC and the City of Austin are committed to compliance with the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, as amended. Reasonable modifications and equal access to communications will be provided upon request. Please call 974-3100 (voice) or Relay Texas at 1-800-735-2989 (TDD) for assistance.

The AHFC and the City of Austin do not discriminate on the basis of disability in the admission, access to, treatment, or employment in their programs and activities. Dolores Gonzalez has been designated as the City’s Section 504/ADA Coordinator. Her office is located at 505 Barton Springs Rd, Ste. 600. If you have any questions or complaints regarding your Section 504/ADA rights, please call Dolores Gonzales at 974-3256 (Voice) or 974-2445 (TTY).

This publication is available in alternative formats. Please call 974-3100 (Voice) or Relay Texas at 1-800-735-2989 (TDD) for assistance.

S.M.A.R.T. Housing™ Application for Certification

DEPARTMENT OF NEIGHBORHOOD HOUSING AND COMMUNITY DEVELOPMENT APPLICATION FOR EXEMPTION FROM PAYMENT OF CAPITAL RECOVERY FEE, DEVELOPMENT REVIEW AND INSPECTION FEES, PARKLAND DEDICATION FEE, AND CERTAIN CONSTRUCTION INSPECTION FEES

I, the undersigned duly authorized representative of _____ (the "Applicant"), the owner of the proposed residential development called _____ (the "Development") and described in this **S.M.A.R.T. Housing™** Application, do hereby make application to the Neighborhood Housing and Community Development Department (NHCD) as administrator of the City's **S.M.A.R.T. Housing™** Program in accordance with the program guidelines for a total of _____ residential units to be exempted from payment of Capital Recovery Fees and other applicable fees, and I do hereby declare and represent as follows:

The Applicant intends to: Construct _____ Single-family units, and/or
Construct a _____ unit Multi-family residential development
to be located within the City of Austin, Texas, and desires that the City exempt the Development from payment of Capital Recovery Fees and other applicable fees in accordance with the **S.M.A.R.T. Housing™** Ordinance. (Parkland Dedication Fees are waived by a separate ordinance.)

The Applicant has received a copy of the **S.M.A.R.T. Housing™** Guide (available at <http://www.cityofaustin.org/ahfc/smart.htm>) and having read this document, hereby agrees to comply with all terms of the rules including meeting the minimum Green Building standards, the Accessibility and Visitability standards required by the **S.M.A.R.T. Housing™** Ordinance, and the Transit-Oriented standards.

The Applicant has submitted herewith a completed copy of the **S.M.A.R.T. Housing™** Application. To the best of the Applicant's knowledge, the information contained therein is true and correct.

The Applicant, if awarded the exemptions, hereby agrees to execute a contract with NHCD for the receipt of the exemptions. The Contract will contain such provisions as are necessary to carry out the requirements of the Programmatic exemption included in the Land Development Code.

Before issuance of the Certificate of Exemption, the Applicant may be asked to execute an agreement and restrictive covenant, surety bond, deed of trust, promissory note, or other binding restriction on land use that preserves affordability in accordance with applicable requirements.

Please indicate the person who will on a regular basis provide income verification information to NHCD staff:

Name	Title and Organization	Phone	Email address

If unit(s) do not meet income standards or other **S.M.A.R.T. Housing™** standards, the Applicant will pay the waived fees to the respective City departments due the fees, including liquidated damages up to twice the amount of fees waived to compensate the City for administrative costs incurred and any breach that results in the loss of reasonably-priced dwelling units during the affordability period.

WITNESS MY HAND THIS _____ DAY OF _____, 20____.

BY: (NAME OF OWNER) _____

TITLE: _____

S.M.A.R.T. Housing™ Application for Certification

1. Name and contact information for the Applicant; i.e., the entity that currently has site control and will build the units for which exemption from payment of Capital Recovery Fees; development review and inspection fees; and certain subdivision construction inspection fees are requested (referred to hereinafter as the “Development”).

Name:	Telephone: (office) (mobile)
Organization:	Fax:
Address and Zip:	Email:

2. Form of Organization of the Applicant:

Corporation Limited Partnership General Partnership
 Sole Proprietor Nonprofit Corporation (list type: 501(c)____)

3. If the Applicant is a corporation, identify its officers and indicate their titles. If the Applicant is a partnership, identify its general partner or general partners (**Please attach** contact information for all principals). (Attachment No. 1)
4. Contact information for the representative of the Applicant, available for regular communication with staff regarding development issues, Visitability / Accessibility, Green Building compliance, etc.

Name:	Telephone: (office) (mobile)
Organization:	Fax:
Address and Zip:	Email:

5. **Please attach** a brief summary of prior development experience of the Applicant or its principals, indicating date of project, size of project, type of project, and location of project. If a nonprofit, include name and experience of contractor who will build the units.

(Attachment No. 2: Experience and/or track record of developer – **may be omitted** if Applicant has previously received exemptions under this program)

6. List of street addresses and/or description of the Development site (**Please attach** a legal description of the Development and, if a single-family project, a list of the lots, addresses, and Parcel ID numbers). (Attachment No. 3)

Street #	Street Name (or intersection)	Zip Code
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7. Does the Applicant: Presently own the Development site? No Yes
 Have an option on the site? No Yes expiration date _____

Please attach copy of Title Commitment, Escrow Contract or other document sufficient to show site control. (Attachment No. 4). If the Applicant does not presently own the Development site, please describe any relationship that exists by virtue of common control or ownership between the Applicant and the present owner of the Development site. If none, please write “none.”

8. Anticipated buildout schedule (as applicable):

For Single-Family Subdivisions:
Final subdivision plat approval: _____
Complete subdivision improvements: _____
Phase 1: Finish (# of) _____ homes by (date) _____
Phase 2: Finish (# of) _____ homes by (date) _____
Phase 3: Finish (# of) _____ homes by (date) _____

For Multi-Family or Mixed-Use Structures:
Final subdivision plat approval: _____
Site Plan approval: _____
Phase 1: Finish (# of) _____ units by (date) _____
Phase 2: Finish (# of) _____ units by (date) _____
Phase 3: Finish (# of) _____ units by (date) _____

9. Has builder been selected? Yes No Company name _____
 Has architect been selected? (if needed) Yes No Company name _____
 Has engineer been selected? (if needed) Yes No Company name _____
 For Single Family, will homes be: site-built manufactured , or modular ?

Note: Green Building standards require that **units meet standards for all codes in effect in the City of Austin at the time of building permit submittal**. For more information, call 512/974-6370.

10. **Please attach** a map or diagram indicating:
 (a) The existing legal lot(s) or parcels where the Development is proposed to be built;
 (b) The Development’s proximity to public transportation – this information is available at: <http://www.capmetro.org>.
 (c) **If** the Development is close to floodplains, pipelines, railroad tracks, or former landfill locations, the map or diagram should indicate this as well.

(Attachment No. 5: Site Map(s) with items listed above)

11. Will any of the following be required: Service extension 1704 determination
 Variance or waiver (please describe) Site Plan Approval Subdivision Annexation

12. Is a zoning change needed? No Yes, a change from _____ (current zoning) to _____ (proposed zoning)
Note: S.M.A.R.T. Housing™ policy requires applicants seeking a zoning change to offer to meet with surrounding neighborhood associations prior to filing a zoning application. Contact S.M.A.R.T. Housing™ staff for details.

13. Is the property in a special district? Mueller UNO VMU Rainey CBD or DMU
Note: Some special districts have affordability requirements in addition to S.M.A.R.T. Housing.

14. Are you considering applying for gap financing from a NHCD/AHFC program? Yes No
Note: Some NHCD/AHFC federal funding sources have environmental, labor, and monitoring requirements beyond S.M.A.R.T. Housing™ requirements.

15. Indicate any loan guarantee, Bond Financing, Issuer of Bonds, Low Income Housing Tax Credit, down payment assistance, or other subsidy for which the Applicant has received a commitment, has made – or intends to make – application. If none, please write “none.”

Subsidy / Bond / Tax Credit Source	Amount	Fund Commitment Status

16. Indicate percentage and number of units to be rented or sold to moderate income (families with incomes at 80% of MFI or below), or very low income (50% of MFI or below).

___ % of the units will be sold or rented to families with income at ___ % MFI or below

___ % of the units will be sold or rented to families with income at ___ % MFI or below

___ % of the units will be sold or rented to families with income at ___ % MFI or below

(Note: Some policy initiatives such as VMU allow for a percentage of homeownership units to be sold to households with incomes above 80% MFI. Contact **S.M.A.R.T. Housing™** staff for details.)

17. If some units will be reserved for persons with special needs, Section 8 families, etc., please indicate.

18. Provide details of the Development below. (If needed, please attach additional pages - Attachment No. 6: Details of the Development.)

_____ Number of Houses or Units with _____ bedrooms, _____ baths, _____ sq. ft. of living area

Selling Price*:	Monthly Rental (for rental developments):
Any additional facilities to be included such as laundry, office or recreational facilities.	

*For single-family or condominium units, staff recommends pricing the “reasonably-priced” homes at no more than \$125,000. **If selling price of reasonably-priced homes will exceed \$125,000, please explain in Attachment No. 6: Details of the Development.**

19. Applicant understands that all reasonably-priced dwellings must be occupied by an income-eligible family for a period of **five years** from the date of initial occupancy (or, **one year** for single-family homeownership units). Developments with some types of assistance or developed as part of some policy initiatives may require a longer affordability period. Applicant will provide annual documentation of income compliance for the duration of the affordability period. Yes

Applicant hereby submits this completed **S.M.A.R.T. Housing™** Application for Certification with the required attachments to Neighborhood Housing and Community Development for consideration.

_____ Submitted this _____ day of _____, 20____
 Owner’s Signature

- Enclosures:
- Attachment No. 1 – Contact Information for Principals
 - Attachment No. 2 – Experience and Track Record of Developer/Contractor (**may be omitted if** Applicant has previously received exemptions under the program)
 - Attachment No. 3 – Legal Description and List of Lots and Addresses
 - Attachment No. 4 – Proof of Site Control
 - Attachment No. 5 – Site Map
 - Attachment No. 6 – Details of the Development (if necessary)