



## AGENDA MEMORANDUM

Action Item for the City Council Meeting on October 31, 2023

**DATE:** October 31, 2023

**TO:** Peter Zanoni, City Manager

**FROM:** Daniel McGinn, Director - Planning & Community Development  
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### Resolution Amending the Housing Development Fee Waivers for Non-Qualifying Homebuyers Program Guidelines

#### **CAPTION:**

Resolution amending the City's Program Guidelines for Housing Development Fee Waivers for property sold to Non-Qualifying Homebuyers to expand eligibility of the types of zoning; increase the home sale price limit; include Accessory Dwelling Units; and change the name of the program.

#### **SUMMARY:**

The Resolution will change the name of the Housing Development Fee Waivers for Non-Qualifying Homebuyers Program to the Infill Housing Fee Waiver Program. The Resolution revises the program guidelines to include all zoning districts that allow single-family dwellings, increases the home sales price requirement, allows units to be converted to rentals for Corpus Christi Housing Authority clients, and adds Accessory Dwelling Units as an eligible unit type.

#### **BACKGROUND AND FINDINGS:**

The Infill Housing Fee Waiver Program is a fee waiver program with eligible expenses that include fees for building permits and plan review, municipal solid waste fees, tap fees for water, wastewater, and gas, and other fees required for building a single-family home. Reinspection fees are not included. Waived fees are not to exceed \$7,000 per home. To increase the availability of infill lots and achieve the program goals, proposed revised program guidelines include additional zoning designations. The current program guidelines limit zoning to RS-15, RS-10, RS-6, and RS-4.5. The city has several other zoning districts that allow single-family home construction that make up much of the downtown area where infill single-family homes should be encouraged (Ex. RS-TF, RM-1, RM-2, RM-3, RM-AT). The proposed change will allow any lot that is located within a zoning district that permits single-family construction to be eligible for the fee waiver.

Also, the current program guidelines limit the home sale price to 80% of the area median home sale price. The revised guidelines increase the home sale price limit to 95% of the area median home sale price as determined annually by the U.S. Department of Housing and Urban Development. Last adjusted in June 2023, that value limit is \$253,000.

Other changes include having Accessory Dwelling Units as an eligible unit type, allowing extensions to complete units, and allowing the unit to convert to a rental for Corpus Christi Housing Authority clients. Accessory Dwelling Units (ADU) are an effective tool being used by cities across the country to combat affordable housing issues. They are generally studio and or one-bedroom housing units that are located in the rear yard of existing single-family homes, average sizes are 400-750 square feet.

### **ALTERNATIVES:**

The alternative is to not adopt the revised program guidelines or to direct staff to develop different guidelines.

### **FISCAL IMPACT:**

There is \$100,000 in the Fiscal Year 2023-2024 budget as a recurring program. These revisions will not impact the budget.

### **Funding Detail:**

Fund: 1020 General Fund  
Organization/Activity: 11451 Housing Services  
Mission Element: 132 Neighborhood Revitalization  
Project # (CIP Only): NA  
Account: 530206 Rebate Incentive Programs

### **RECOMMENDATION:**

City staff recommends approval of the proposed program guideline changes.

### **LIST OF SUPPORTING DOCUMENTS:**

Resolution  
Redlined Infill Housing Fee Waiver Program Guidelines  
PowerPoint Presentation