

City of Austin Downtown Austin Density Bonus Program

Downtown Commission Workgroup on the Implementation of the Downtown Austin Plan

Adopted: January 8, 2014

We recommend the following regarding the City staff proposals for the Downtown Austin Density Bonus Program and promulgation of standards governing eligible community benefits:

1. Cultural Uses Community Benefit: We recommend that the ordinance clarify that for a cultural use to be eligible, the bonus area must be leased to a 501(c)(3) nonprofit organization that meets the city's eligibility requirements for the City's core cultural funding program and that the space is actively used for cultural programming and/or projects.

2. Live Music Community Benefit: We recommend that the ordinance eliminate the eligibility of outdoor music facilities downtown to qualify. We also recommend that staff tighten up the language to specify that the space would have to be open to the public (versus a private hotel pool deck) and that music would need to be played on a regular basis for the venue to qualify.

3. Family-Friendly Housing Community Benefit: We recommend that the ordinance integrates the family-friendly housing community benefit into the affordable housing community benefit option. We recommend that staff develop program rules governing eligibility requirements for the on-site affordable units, including rules that provide a preference to households with children for any affordable units created with more than one bedroom. We also recommend that the City develop a plan for marketing the affordable units, such as a contract with a leasing agent who could keep an updated list of the affordable density units available downtown and across the city and market these to low-income households, including families with children, through entities such as the housing authority, local CDCs, etc. To further incentivize the creation of family-friendly units, we recommend that the density bonus program include a provision that provides a one-for-one square footage bonus for any on-site children's play areas and common open space for children that meets certain standards developed by city rule, modeling the program developed in Portland.

4. Open Space Development Bonus Fee Community Benefit: Limiting this fee to parkland, as currently proposed by staff, is too narrow. We recommend that other types of publicly-owned public open space, such as alleys, parklets, and other public open spaces, be eligible for funding generated by this fee. We also recommend that the developer providing the fee should have an opportunity to offer input into where the fee is directed.

5. On-site Improvements for Historic Preservation Community Benefit. As worded, this community benefit is too vague and needs further definition as to what qualifies as the bonus area and what a developer needs to provide to qualify, and how this incentivized historical preservation over and above existing legal requirements.

6. Other Community Benefits. We recommend that the provision of the current ordinance allowing for “other community benefits” under the program be removed from the ordinance. This provision has the potential to gut the intention of the codification of the density bonus program, which is to provide clearer expectations and equitably-applied rules as to what level of community benefits count and how to measure such benefits, as well as to focus on higher priority areas that further the goals of the Downtown Austin Plan.

7. Next Steps—Targeted Community Benefits in Individual Districts: We believe that there are currently too many community benefits available in the proposed program and that having so many benefits dilutes the ability to use the density bonus program to target the highest priority needs in individual districts. As a result, we recommend that after adopting the current package of community benefits, the city enter into a phase 2 process where it narrows down the range of the non-affordable housing bonuses available individual downtown districts, through the development of district plans that include a set of limited community benefits based on the top priorities for that district. Thus, by way of example, in the Rainey District, the city might focus on public open space and family-friendly housing, while in the Red River District, the city might focus just on live music uses and open space.

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