# 06/13 CodeNEXT Topics & Questions

# **DRAFT Policy Directions**

## **Summary of Topics:**

- Housing Supply and Income-Restricted Housing
- Transition Zones and Compatibility
- By Right Entitlements and the Affordable Housing Bonus Program
- Timeline and Testing for the Land Development Code
- Notification and Public Input Opportunities in Code

## **Description of Topics:**

# I. Encourage the development and preservation of affordable housing LANGUAGE FROM AGREED UPON GOALS STATEMENT:

Our new Code can create opportunities to build and preserve housing that is more affordable than homes being built today under the current Code. The Code can encourage property owners to keep existing housing that is affordable to middle and lower-income families and offer targeted incentives to build new affordable housing. Expanding affordable housing in more areas of Austin will create opportunities for people to live closer to work, school, family and friends, and will help address the historic inequities and economic segregation of lower-income Austinites.

#### A Code That Works

- Provides incentives for development of on-site, publicly supported or income-restricted housing for properties along transportation corridors as well as in more high opportunity areas of the city
- Provides incentives for preservation of existing housing that is affordable to middle and lowerincome households
- Promotes affordable, flexible live/work spaces to support artists, musicians, and small business owners along transportation corridors and activity centers
- Encourages developments that include publicly supported or income-restricted housing to provide a greater number of family-sized units
- Revises and expands housing programs, to maximize production of income-restricted housing

#### **TOPICS FOR DISCUSSION**

- 1.A Income-restricted Housing (and first Housing Supply question)
  - II.A.1. [From Housing Supply category] What should be our overall housing capacity goal to meet the goals in Imagine Austin and the Strategic Housing Blueprint?
  - I.A.1 What is our income-restricted housing goal? What capacity is needed to reach that goal? How often should we evaluate and recalibrate the program to ensure we meet that goal?
  - I.A.2 How should affordable housing bonuses be calibrated to maximize the production of income-restricted units?
  - I.A.3 How should base zoning entitlements be calibrated with affordable housing bonuses?

For commercial properties that <u>currently</u> do not allow residential uses, but are <u>proposed</u> to have entitlements for residential uses (-A), a carefully calibrated affordable housing requirement should apply for any residential development.

For properties that <u>currently</u> have zoning that allows for residential uses, generally, new base zoning should be the closest equivalent to current zoning including conditional overlays, and should have the option of an affordable housing bonus.

I.A.4 How should we maximize the development of income-restricted housing in all parts of the city? What should be our goals for producing income-restricted housing in moderate, high, and very high opportunity areas?

See Housing Blueprint – p16 – at least 25% of income-restricted housing should be in high opportunity areas

I.A.5 Should there be incentives for providing a greater number of family-sized units in income-restricted housing?

The Affordable Bonus Housing Program should require a proportionate mix of affordable units relative to the market-rate units in a development, and should provide an <u>additional</u> incentive for multiple-bedroom units beyond the number required.

1.A.6 Should affordable housing bonuses be available in residential house scale zones (LA – R4) to create income-restricted units?

An affordable housing bonus should be available in residential house-scale zones (RR – R4) if total development with a bonus does not exceed impervious cover, building cover, and FAR limits, and does not incent demolition of existing housing stock.

An affordable housing bonus should be available for ADUs in low intensity residential house-scale zones (RR – R1) and for multi-family uses in R4 zones only (as proposed in draft 3).

I.A.7 How could we revise S.M.A.R.T. housing to better incentivize affordable housing projects?

Recognizing there are further budget, legal, and operational issues to resolve, we should recalibrate the fee waivers and provide for prioritized, expedited development review to maximize production of income-restricted units.

Incentives related to changes in development standards (Impervious Cover, Height, FAR, etc.) should be established by zoning district, and NOT in another section of the code.

- I.B Density Bonus Program Administration
  - I.B.1 When should income restricted housing be required on-site vs. off-site vs. fee-in-lieu, etc.? Which entity should make that determination?

# III. Preserve and respect neighborhood identity and quality of life LANGUAGE FROM AGREED UPON GOALS STATEMENT:

With many of Austin's neighborhoods under redevelopment pressure, the Code must provide ways to preserve neighborhood quality of life. These include diverse housing choices, flood mitigation, access to parks, safe walkable streets, and appropriate parking. Imagine Austin envisions more housing along transit corridors and town centers and our Code must support that goal.

#### A Code That Works

- Integrates existing community planning efforts, including neighborhood plans, and provides tools to enable a clear process and dedicated staff for creation of new plans and updates of plans
- Maintains a public process for requests to increase development beyond what is allowed, such as increased height, including when errors are made in construction
- Includes new zoning tools that ensure compatibility between residential and commercial areas, including height and size, noise and light pollution, deliveries and trash collection – to provide
- Carefully considered transitions between existing neighborhoods and new mixed-use redevelopments
- Requires a public process for permitting bars and nightclubs located near homes, another bar or nightclub, schools or daycare, hospital, or uses like libraries and churches
- Prohibits adult entertainment near residences
- Fits parking requirements to location, including the possibility of increased or reduced parking requirements, after considering factors such as sidewalks, transit access, protected bike lanes, and locations near schools
- Ensures neighborhood streets remain accessible to Fire and EMS services, and Resource Recovery

# **TOPICS FOR DISCUSSION**

- III.C Transition Zones and Compatibility
  - III.C.1 How do transition zones and compatibility affect our Strategic Housing Blueprint housing capacity and other Imagine Austin policy goals?

In order to maximize housing capacity on transportation corridors and in activity centers, compatibility standards and transition zone mapping should work together in a way that does not limit the amount of potential housing units otherwise achievable under proposed base zoning and any applicable Affordable Housing Bonus on corridors and in activity centers.

If blocks located directly on corridors are impacted by compatibility standards, transition zones should be initially mapped in a context-sensitive way that considers lot sizes, street grid, and other relevant factors, so as to maximize housing capacity on transportation corridors and in activity centers.

As a general rule, initial transition zone mapping along activity corridors should minimize encroachment into existing single family zoned areas, and any future encroachment should only be mapped as part of an inclusive, small area planning process.

III.C.2 Should transition zones be used between centers and corridors and residential house-scaled neighborhood cores?

### See III.C.1

III.C.2.a What are the different definitions of "transition zone" that have emerged in discussions about Code Next? If creating "transition zones" becomes an approved Council goal, how can we create a community-driven process for evaluating and designing those? (\*New\*)

# See III.C.1

- III.C.3 Explain current compatibility standards and the staff recommendation for compatibility standards. What are the planning principles that informed staff's recommendation? (\*New\*)
- III.C.4 Should compatibility standards be used between centers and corridors and residential house-scaled neighborhood cores?

### See III.C.1

III.C.5 How should we minimize the impact of noise and light pollution, deliveries and trash collection in areas of transition?

The new land development code should require sufficient no-build zones and vegetative buffers between residential and commercial uses so as to minimize the impact of noise and light pollution, deliveries and trash collection.

# II. Provide more housing choices and supply for Austinites at all stages of life and incomes

#### LANGUAGE FROM AGREED UPON GOALS STATEMENT:

Our new Code should allow for a wide variety of housing types which are affordable to households at a broad range of incomes and for people at every stage of life from young, single adults, families with children, to seniors.

#### A Code That Works

- BOOKMARKED. Sensitively provides for more housing types in neighborhoods, transitions, activity centers, along transportation corridors, and near transit stations
- Enables more small accessory dwelling units (ADUs) while maintaining building and impervious cover limits, in order to help homeowners with housing costs and allow more flexibility as households' needs change over time
- BOOKMARKED. Allows exceptions to building requirements for small accessory dwelling units (ADU) to provide incentives to preserve the original residence or create affordability
- BOOKMARKED. Allows families with homes on substandard lots to more easily remodel and stay in place
- Allows homes in more commercial areas to help provide more housing
- BOOKMARKED. Allows for site plan requirements and administrative approvals that support the development of diverse housing options, including ADUs and multiplexes where appropriate
- Includes development and design standards that support the development of housing along transportation corridors
- Helps to correct past patterns of segregation and helps Austin achieve its Fair Housing goals

#### **TOPICS FOR DISCUSSION**

II.E Housing Supply

II.E.1 Where should more by-right housing be allowed through increased base entitlements?

Generally, with the exception of ADUs in residential house scale zones, zoning districts that allow significantly greater by-right housing capacity than current zoning should be mapped only in transition zones as they are necessary, and in the future, should be mapped as part of an inclusive, small area planning process.

- II.E.1.a Should there be by-right housing increases allowed (through base entitlements from II.E.1)?
- II.E.1.b Should additional by-right housing be allowed only through Affordable Housing Density Bonuses?
- II.E.1.c How much new housing on corridors should be by-right versus affordable housing bonus?

# From I.A.3.

For commercial properties on corridors that <u>currently</u> do not allow residential uses, but are <u>proposed</u> to have entitlements for residential uses (-A), a carefully calibrated affordable housing requirement should apply for any residential development.

For properties on corridors that <u>currently</u> have zoning that allows for residential uses, generally, new base zoning should be the closest equivalent to current zoning including conditional overlays, and should have the option of an affordable housing bonus.

# X. Process after adoption (\*New\*)

X.A Should Council establish a period before the new Land Development Code becomes effective during which city staff will test the code and bring the results to Council for review? (\*New\*).

Testing of all elements of the new land development code on a diversity of sites with involvement by design and development professionals should occur after each reading of the code text and map if significant amendments have been made by Council, and should occur after final adoption, but well before implementation of the new code.

- X.A.1 What testing has occurred to date and how have the results been used and reported? (\*New\*).
- X.A.2 What opportunities should be available to involve public stakeholders in the testing process? (\*New\*).

City staff and consultants should test all elements of the new land development code on a diversity of sites with involvement by design and development

professionals in as transparent a manner as possible, and results should be published and presented to council.

Staff should make accommodations for further code amendments to be approved prior to implementation of the new land development code, if final testing identifies errors or problems in the code.

- X.A.3 What is the process for map and text amendments during this testing period? (\*New\*)
- X.B Should Council establish a time period of at least 6 months after final adoption before the new Land Development code takes effect? (\*New\*).
  - X.B.1 What process should Council establish for implementation of the code, over what timeframe?

The new code should not be implemented until it is confirmed through testing that the code works, and all staff training, technology updates, organizational changes, and criteria manuals, have been finalized.

X.B.2. What process should Council establish for amending the code as we go into the future?

The existing code amendment process should remain, but an annual minor code amendment process should be established to address errata and clean-up.

X.C What process should Council establish for development of Criteria Manuals? (\*New\*).

The purview of the City Council is to establish policy and criteria manuals are highly technical in nature, therefore approval of the criteria manuals should be administrative.

Shortly following the City Manager's approval of criteria manuals for the new land development code, there should be a public process for stakeholders to identify inconsistencies with council adopted policies or new policy matters that are being established within the criteria manuals so that council has the opportunity to amend the code to address any necessary policy changes.

# IV. Reduce time and cost of permitting by providing more clarity, certainty, and ease of use

#### LANGUAGE FROM AGREED UPON GOALS STATEMENT:

The current permitting process for construction and remodeling of housing and small businesses is confusing and expensive. Our new Code should help projects be more affordable by reducing the time and costs of permitting with a less complicated Code.

#### A Code That Works

- Simplifies permitting to ensure consistency and organizes zoning categories with graphics and labeling that is easy to understand and use
- BOOKMARKED. Supports efforts to reduce permitting barriers and home remodeling costs to help families stay in their homes such as those proposed in the new Family Homestead Initiative
- Allows more affordable, pre-approved building and remodel design options to help seniors age in place, and middle and lower income households to remain in their neighborhoods
- Establishes reliable expectations for development review timelines and processes

# **TOPICS FOR DISCUSSION**

- IV.A Notification and Public Input
  - IV.A.1 Should existing notification timelines be changed from current code?
  - IV.A.2 Should opportunities for public input on development projects change from current code?
  - IV.A.3 Should the level of notification and opportunities for input, for example for Minor Use Permits and Conditional Use Permits, be commensurate with the potential impact(s) of proposed type of uses?