ORDINANCE AMENDMENT REVIEW SHEET

Amendment: C20-2022-004 Compatibility on Corridors

<u>Description:</u> Consider an amendment to Title 25 of the City Code to modify compatibility standards as applied to certain projects on certain corridors.

Proposed Language: See attached draft code language and background information.

Summary of proposed code amendment

- The proposed amendment will generally reduce compatibility for a residential or mixed-use project on a defined set of corridors: Medium, Large, or Light Rail Line. For all eligible projects on a corridor:
 - o Compatibility will extend 300'in distance (vs 540' today)
 - o Compatibility will be triggered by zoning only (not use)
 - o An additional 5' of height will be allowed vs current standards
- Projects providing affordable housing may be granted a further reduction in compatibility:
 - o Maximum height at a distance of 100' from a triggering property for projects on a light rail line
 - o 65' of height at a distance of 100' from a triggering property and 90' of height at 200' from a triggering property on a large corridor
 - o 65' of height at a distance of 150' from a triggering property and 90' of height at 250' from a triggering property on a medium corridor
- Minimum parking requirements are reduced for residential or mixed-use corridor properties:
 - o 25% of what would otherwise be required for a light rail line or large corridor
 - o 50% of what would otherwise be required for a medium corridor

Background: Initiated by City Council Resolution 20220609-066.

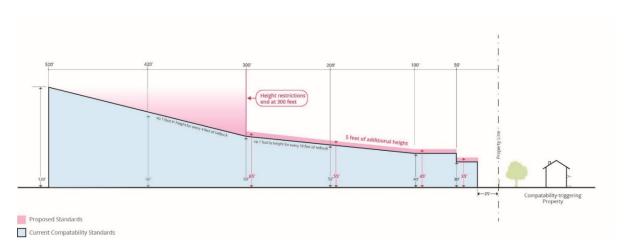
The City of Austin's current compatibility standards apply to sites that are within 540 feet (or nearly two downtown blocks) of the property line of an urban family residence (SF-5) or more restrictive zoning district. Compatibility standards also apply when a site is adjacent to a lot on which a use permitted in an SF-5 or more restrictive zoning district is located.

Current compatibility standards include:

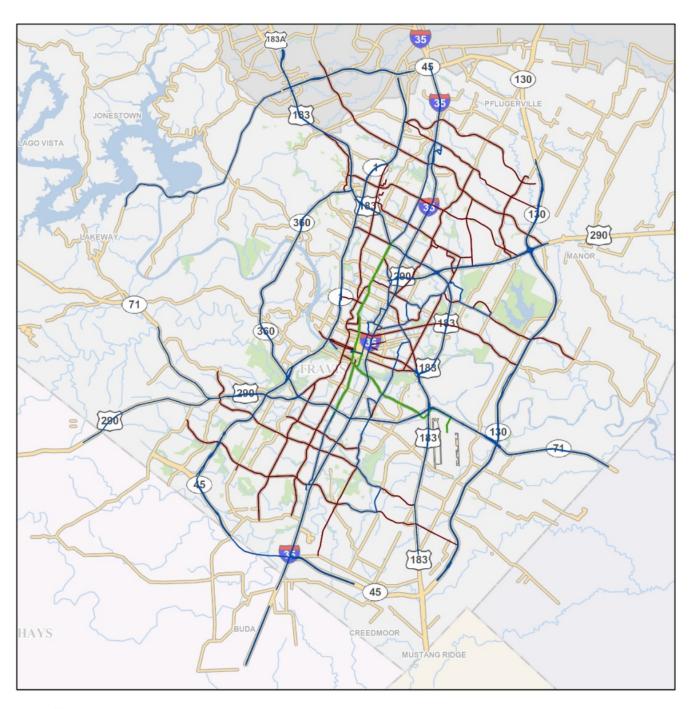
- Height and Setback Limitations
- Scale and Clustering Requirements
- Screening Requirements

The dimensional characteristics of the City's current compatibility standards are shown in the image below, with annotations in pink text showing the proposed compatibility standards along light rail lines, large corridors, and medium corridors as defined in the ordinance:

Existing Compatibility Standards and Proposed Compatibility Standards Along Specified Corridors



In June 2022, City Council adopted a resolution that directed staff to modify the application of compatibility to projects on certain corridors (see Corridor Types map, below), such that compatibility would generally be reduced by stopping the reach of compatibility at 300' from a triggering property (or about one city block length) and allowing an additional 5' in height to current height limits (see Proposed Compatibility Standards figure, below). In addition, projects providing affordable housing would be granted greater relief from compatibility. Minimum parking requirements would also be reduced for all residential or mixed-use projects on certain corridors.



Corridor Types

Large Corridor
Light Rail
Medium Corridor

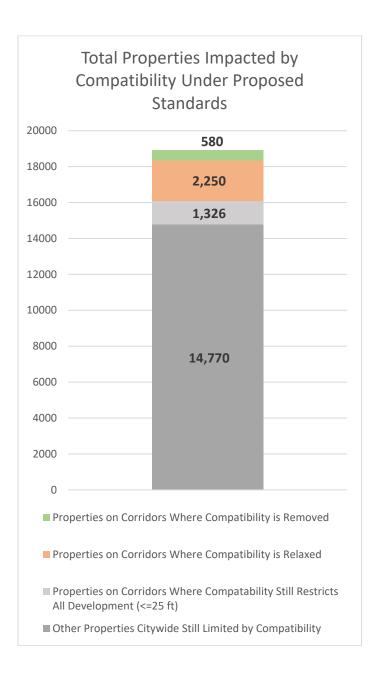
<u>Staff Recommendation:</u> Not recommended as drafted. Staff recommends postponement of this item in order to undertake a broader process to evaluate options for refining compatibility standards in the context of the wide array of development tradeoffs, including affordability,

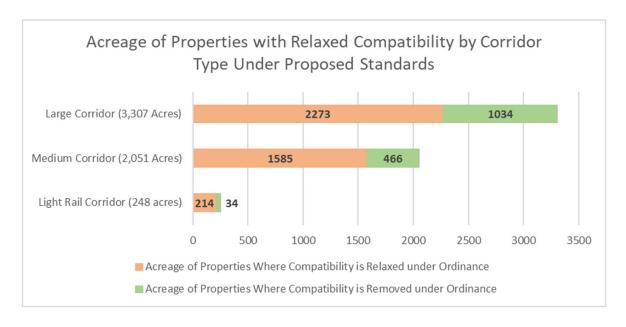
mobility, environment, and equity. Specifically, there are two primary issues with the item as drafted:

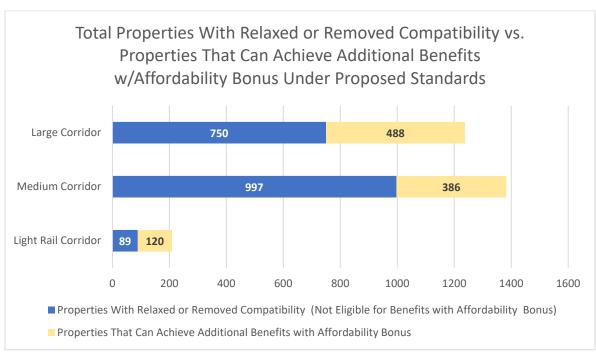
- 1. Minimal Impact: These modifications would allow only a small subset of corridor properties (already itself a subset of all citywide properties where compatibility is limiting the number of people who can live near transit, goods, and services) to benefit from relaxed compatibility:
 - Most corridor properties would be granted an additional 5' in height with this proposal; however, this is not enough to accommodate an additional story of development;
 - Only a small subset of corridor properties (14%) would have compatibility completely removed, assuming no participation in the density bonus (see Total Properties Impacted by Compatibility Under Proposed Standards, below);
 - Only a subset of corridor properties would have compatibility completely removed, assuming there is participation in the density bonus (see Total Properties With Relaxed or Removed Compatibility vs. Properties That Can Achieve Additional Benefits w/Affordability Bonus Under Proposed Standards, below):

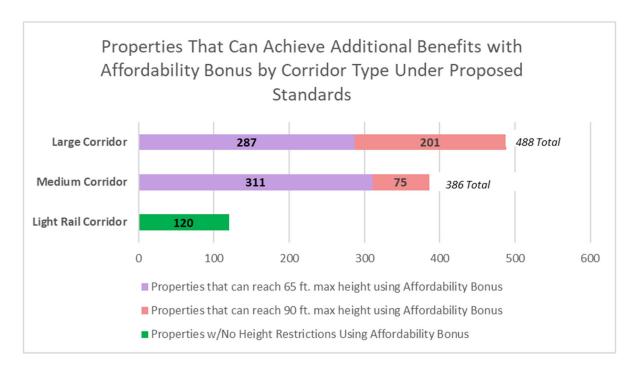
o Light rail corridor: 57% o Large corridor: 39% o Medium corridor: 28%

- The proposed affordability bonus program doesn't relax the applicable compatibility regulations enough to be likely to incentivize the number of affordable units required for the bonus such that it is unlikely to be used unless a developer is participating in another bonus program.
- A majority of corridor properties are too close to triggering properties to benefit from the proposed changes, even if projects participate in the affordable housing bonus.
- 2. Additional Complexity: These modifications would add complexity to the code by:
 - Applying two new compatibility standards that differ from current compatibility regulations, resulting in up to three separate compatibility standards that could apply to a corridor property, depending on how the property is used;
 - The proposed amendments will be unpredictable for staff, developers, and the public; standards will depend on how corridor properties are used and triggering properties are zoned.









HPD staff generally supports revising compatibility standards to better reflect City policy goals and to increase housing along transit corridors to enable more people to live in walking distance to transit, with a focus on incentivizing affordable units; however, these proposed draft code amendments have the potential to create considerable administrative burden while providing a fairly small benefit in terms of additional housing units and affordability.

Staff would recommend reconsideration of compatibility changes as part of a broader discussion of amendments being made to the code, many of which are or have been drawn from the 2019-2020 Land Development Code (LDC) Revision. As such, the proposed compatibility standards of the draft LDC could be considered or used as starting point; these standards considerably simplified the application of compatibility by triggering based on adjacent zone only, ending the reach of compatibility at 100' of distance, and allowing developments with on-site affordable housing to be exempted from compatibility step-backs. The draft LDC proposal is also more in line with how Austin's peer cities regulate compatibility, with Austin's current standards being extremely conservative by comparison, which limits the number of households who can live in proximity to transit, goods, and services.

Board and Commission Actions

October 19, 2022: To be reviewed by the Codes and Ordinances Joint Committee. November 8, 2022: A public hearing will be held by Planning Commission.

Council Action

November 30, 2022: A public hearing has been scheduled.

Ordinance Number: NA

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ATTACHMENT A: Existing Compatibility Requirements, Changes Proposed in 2019 Land Development Code Revisions, and Compatibility Standards in Other Cities

The City of Austin's current compatibility standards apply to sites that are within 540 feet (or nearly two downtown blocks) of the property line of an urban family residence (SF-5) or more restrictive zoning district. Compatibility standards also apply when a site is adjacent to a lot on which a use permitted in an SF-5 or more restrictive zoning district is located.

Current compatibility standards include:

- Height and Setback Limitations
- Scale and Clustering Requirements
- Screening Requirements
- Design Regulations

The table below shows the dimensional characteristics of the City's current compatibility standards and what was proposed in the LDC Revision Draft 2.

	Side Setback	Rear Setback	Height limit within 50'	Height limit within 100'	Height limit beyond 100'
Austin's Current Standards	15 to 25 feet ⁴	15 to 25 feet ⁴	30 feet & 2 stories	40 feet & 3 stories	Gradually increases until 540' from triggering property ⁵
LDC Revision Draft 2 Proposed Standards	15 to 20 feet ¹	30 feet ²	35 feet ³	45 feet ³	Height max. of zone

¹ Dependent on lot width and zone, higher for industrial zones

Compatibility standards in other cities:

Compared to similar regulations in Atlanta, Denver, and Seattle, Austin's compatibility standards are significantly more restrictive. All three cities have regulations that require additional setbacks and height limits adjacent to low-density residential zoning districts, known as "protected districts". In Atlanta, setbacks vary by zoning district, but under the 45-degree plane (see below) a building can reach at least 110 feet in height at 100 feet from the protected district's property line. Seattle has the least restrictive height restrictions with buildings able to reach over 300 feet in height at 100 feet from the residential property line. In Denver, zoning districts with a height maximum of 70 feet can reach full height at 40 feet from protected district's property line. Generally, zoning districts that allow more height are limited to 75 feet within 175 feet of the

² Greater for some industrial zones

³ Some zones with a higher base/bonus height not subject to compatibility

⁴Dependent on length of street frontage and site size

⁵ Height limit ends at 100' if the triggering property is based on use rather than zoning

protected district; however, this height restriction does not apply to all zoning districts, building forms, and contexts.

Other cities researched do not include use-based compatibility standards and rely solely on zoning districts to trigger compatibility standards; Austin currently utilizes both zoning district and existing uses to trigger compatibility. Additional research is needed to examine potential unintended consequences of amending use-based compatibility standards. Single family uses within Commercial Zoning Districts appear to be more frequently located within the Eastern Crescent and track with historically liberal application of higher intensity zoning districts within Communities of Color.

