

# AIA Austin—Housing Task Force Zoning Reform Recommendations 10.19.22

<u>GOAL:</u> A set of recommended reforms to select existing City of Austin zoning codes and permitting processes to reduce barriers to housing production and increase diversity of housing choices in alignment with the values and goals of the Imagine Austin Comprehensive Plan (2012). This is important because streamlined codes and permitting are critical to improving availability and affordability of housing.

Note: This document is a working draft only for the purposes of initiating discussion and collaboration with other organizations undertaking similar efforts. The recommendations are conceived as specific adjustments to certain existing zoning codes and process – they do not encompass a comprehensive review of all housing-related zoning codes and issues. A next step for these recommendations would include the compiling of supporting data as well as a process of testing and visualization.

#### VARIANCE REQUESTS

Recommendation 1: Remove barriers to development by amending code to allow frequently occurring, more basic variance requests:

Variance requests cost a large amount of time, money, and effort on the part of both property owners and the City of Austin. To reduce these costs, reduce the hindrance of time and effort, and reduce the demands on Board of Adjustment's time and focus, assess frequent or "no-brainer" variance requests and incorporate into code to allow.

Action 1.1: Revise the compatibility setback standards in Article 10 by adding a list of items that can be in the 0-25' no structure zone. Include a list of exceptions for items such as driveways, internal fence, transformers, permanent trash refuse, screening, marquee signs, fire lanes, above ground water detention systems, etc. Or revise the language to exempt anything but a building, not a structure. (LDC, Article 10 Section 25-2-1051)

Note: Code states that no permanent 'structure' can be within this zone. Therefore, small permanent items that serves the building cannot be built in this zone without getting a variance request. This would help to reduce project timelines and costs, and give more area back to the buildings, to help make buildings more affordable.

### **DETACHED HOUSING**

Recommendation 2: Incentivize the preservation of more of Austin's 'naturally occurring affordable housing' and historic neighborhood character

Demolition permits are the easiest permits to get in Austin, and the current code incentivizes demolition of existing structures to achieve optimal development of properties. There is a wide variety of existing housing types, which serve the housing needs of a wide variety of citizens, and embody a character and history that is irreplaceable. Additionally, making use of existing housing stock inherently provides more affordable housing and more sustainability though less waste and use of new resources.

Action 2.1: Implement the <u>2022 Preservation Incentive Proposal</u> created by Preservation Austin + Austin Infill Coalition, attached.

Recommendation 3: Give SF-3 property owners more flexibility in how to develop 2 units on their lot Code as currently written tends to incentivize a narrow set of development strategies on the predominant residential zoning type. Broadening this viewpoint will result in a more diverse range of housing types, to better serve the diverse population of Austin in a meaningful way.

- Action 3.1: Eliminate cap for an ADU size (currently 1100sf), allowing detached units to be any combination of sizes on a lot, as long as the overall result doesn't exceed maximum allowed FAR. Note: this would effectively eliminate the ADU category of housing unit (however, it is quickly becoming an obsolete designation, in favor of simply "residential unit"). (LDC, Section 25-2-774).
- Action 3.2: Eliminate the common wall duplex requirements, similar to above, allowing property owners to attach or detach units as makes sense for their property and needs. (LDC, Section 25-2-773).
- Action 3.3: Reduce street side yard setback to 10' from 15'. Consider reducing rear setback from 10' to 5'. (LDC, 25-2-492)
- Action 3.4: Only require 1 off street parking space per unit and no parking space for units under 1100sf within 1/4 mile of transit (the latter is current code already). (LDC, 25-6, Appendix A)
- Action 3.5: Eliminate 200sf FAR exemption for attached garages, which incentivize building of extra space for car storage rather than people. Potentially allow equivalent increase in FAR across SF-3 zoning instead of exempting garages from FAR, of which garages can be a part if developers/homeowners choose. (LDC, Subchapter F, Article 3, 3.3.2)

Note: No changes proposed to Subchapter F setback planes or FAR that currently regulate building form and scale (Subchapter F, Article 1, 2.6)

Recommendation 4: Incentivize building of smaller homes (eg.1000sf-1600sf) with yard access and feesimple ownership opportunity) in new housing stock

Current code is producing a bias of large homes over 2000sf (estimated at over 70% of new single-family and townhomes). This is limiting the range of fee-simple housing options available to the citizens of Austin in new housing stock, by producing an oversized proportion of higher-cost homes and an inadequate proportion of lower-cost and mid-range homes. To remedy this, lower-cost and mid-range home development must be incentivized.

- Action 4.1: Reduce minimum lot sizes for SF3 zoning:
- (a) Standard SF-3 Lot minimum: reduce from 5750sf to 5000sf in SF-3 zoning to avoid common need for lots just under 5750sf in size to apply for a variance to be able to develop 2 units. (LDC, 25-2-492)
- (b) Create new 'SF-3 Small Lot' category: reduce minimum lot size to 2500sf in SF-3 zoning and allow 1 unit to increase opportunities for fee simple ownership for middle-income families.

Create specific 'Small Lot' regulations for these lots which potentially blend existing regulations for Small Lot Amnesty (which currently only apply to existing lots between 2500sf and 5750sf in neighborhoods which have adopted the tool) and Cottage Lots (also only applies where neighborhoods have adopted the tool). Lots could perhaps be subject to 30' street frontage requirement to make corner lots more suitable for subdivision than interior lots (as happened organically before existing code) - eg. a typical 50' x 150' corner lot (7500sf) can be subdivided into 3 small 50'x50' lots each with street frontage (average SF3 lot size is 8000sf), or flag lot requirements. (*LDC*, 25-2-1406, 25-2-1442)

Action 4.2: Create 'Quick Turnaround', low-cost subdivision plat process for single family lots to allow easy subdivision of existing SF-3 lots. This also helps anti-displacement goals, by providing a simple, easily achievable way for an existing property owner to subdivide and sell the part of their property to another person/family to develop as their own residence. The result is that the property is effectively developed to its full potential, increased density is achieved, a new housing unit is created, and the existing property owner has raised funds through the sale of the unused part of their property, enabling them to stay in their home for a longer period.

\*This appears a clear win-win: older/established homeowners do not have to sell their homes to capitalize on their built-up equity, and developers do not have to push out older/established homeowners to build new units. A financial burden is alleviated, and new housing units are created.

Recommendation 5: Create pilot program to test development of 'cottage court' style developments on SF-3 lots over 10,000sf (or contiguous SF-3 lots with equivalent combined minimum area)

Many examples of this development style, pre-dating current codes, can be found in Austin. Current zoning makes it almost impossible to build, but its community-oriented layout and smaller units make it a logical fit for re-introducing to the housing stock.

Action 5.1: Remove restriction on number of units on SF-3 lots over 10,000sf - (FAR, impervious cover, Mcmansion tent, parking requirements (1 per unit unless under 1100sf per Recommendation 3) stay the same)

Action 5.2: Allow projects to go through normal residential review as long as units are only attached to a max of one other (ie. duplex) - keeping building code under IRC rather than IBC.

Action 5.3: Quick Turnaround plat recommended in 4.2 could also apply in the case of joining two lots together to allow this form of development.

Note: An example of this kind of development could eg. allow two adjacent 7500sf lots to develop as 6 cottage units, say 4x 1250sf 3/2 units + 2x 875sf 2/1 units, requiring 4 off street parking spaces. Under current zoning, this would inevitably end up as (2) 2000sf houses with (2) 1000sf units and a couple of garages. This is fine, but there are masses of 2000sf+ houses with garages being churned out and the production of smaller units (ADUs) becomes tied to production of a bigger house too. This program would decouple the production of smaller units from large houses and open up opportunity for more innovation and choice where there are larger SF-3 development opportunities.

## **TOWNHOMES**

## Recommendation 6: Make townhomes easier to develop on SF5/6 & MF lots

Smaller lots that are in an urban infill area cannot build small, affordable units because of the restrictive nature of these site area requirements. Thus, the developer is forced to create larger more expensive units to pay for the construction. A loosening of these requirements would help yield more affordable housing stock.

Action 6.1: Eliminate site area minimum requirements for townhomes and multifamily buildings. (LDC Section 25-2-776)

Action 6.2: Also remove site area per unit requirements from SF5/6 & MF zoning for lots, and allow for buildings be developed by the FAR, Impervious, and Parking Requirements.

Action 6.3: Create an expedited Site Plan 'Lite' Process for 3-12 units - reduce review timeline and fees from typical Site Plan.