




MEMORANDUM

TO: Mayor and Council Members

FROM: Rosie Truelove, Director, Housing and Planning Department 

DATE: March 7, 2023

SUBJECT: Equitable Transit-Oriented Development (ETOD) Policy Plan Recommendations for March 9, 2023, Council agenda Item No. 16

This memo provides information about the March 9, 2023, Council meeting agenda Item 16 regarding the Equitable Transit-Oriented Development (ETOD) Policy Plan and related items. It explains in more detail what action staff is recommending Council take and the implications of the actions.

Action requested on March 9, 2023

Staff is recommending that Council approve a resolution that:

- **accepts the ETOD Policy Plan;**
- initiates **amendments to the Imagine Austin Comprehensive Plan** to incorporate the ETOD station areas and their identified Typologies into the Growth Concept Map;
- authorizes the City Manager to coordinate with Capital Metro to **incorporate the ETOD Policy Plan tools for the Green Line and Metro Rapid Stations** within the boundaries of the **Northeast Austin District Planning Process;** and
- initiates several focused systemwide **amendments to the Land Development Code** to implement the ETOD Policy Plan (recommended code amendments are described in more detail in Attachment 1).

What Approval Means & Next Steps

The ETOD Policy Plan is a policy document and will serve as a framework for a host of activities related to implementing Equitable Transit Oriented Development in Austin over the years ahead. The Policy Plan describes activities already underway as well as those that could be taken in the future. The draft resolution includes initiation of several recommended near-term activities that require formal City Council direction, including initiation of amendments to the Land Development Code. City staff will also begin working on next steps that don't require formal Council action, including:

- Analyzing existing density bonus programs
- Consulting with ETOD implementation leads to identify financing and programmatic support for meeting ETOD goals, including funding and resources gaps, including:

- Expansion of existing Housing and Planning Department programs that would require more resources and/or new funding streams (down payment assistance, home repair, etc.)
- Barrier analysis for tools such as shared parking requirements and shared equity homeownership models for staff to understand what the next steps would be to promote these already allowed tools to have a larger impact than they do at present
- Research about other new tools to determine what resources are needed to pilot them
- Developing an Equity Scorecard to evaluate proposed ETOD development projects. This will be developed in parallel to the Overlay and brought back to Council as a package.
- Developing an Affordable Housing on Publicly Owned Land Goal to provide additional guidance for planning efforts
- Collaborating with CapMetro on the Strategic Real Estate Portfolio Analysis tool

Attachment 1 provides more information on each of those requested Council actions in the draft resolution as well as additional context related to the urgency of this work. **Attachment 2** includes slides that provide additional context on the ETOD planning process to date and additional information about the actions being requested. The ETOD Policy Plan was also the subject of a briefing to the Housing and Planning Committee at its November 10, 2022, meeting, was the subject of [a briefing to the City Council during the February 21, 2023, Work Session](#), and was the subject of an in depth briefing during a special called [Joint Meeting of the Housing and Planning and Mobility Committees](#) on March 2, 2023.

What the Requested Action Does Not Do

- **It Does Not Designate All Bus Stops in the City as ETOD Locations.** The ETOD Policy Plan includes Project Connect Initial Investment Commuter Rail stations, Light Rail Transit stations, and MetroRapid stations. It does not include regular bus stops. See the map on page 25 of the draft ETOD Policy Plan for Project Connect Light Rail and Bus Rapid Transit stations. Additionally, it is likely that proposed regulations surrounding Commuter Rail or Light Rail stations will differ from proposed regulations surrounding MetroRapid stations.
- **It Does Not Change Zoning, Regulations, or Funding.** Acceptance of the ETOD Policy Plan does not change any regulations, programs, tools, funding, or City investments. Some of the tools would need to have funding or resources identified before they could be implemented. Other tools may eventually result in changes to zoning or regulations near some Project Connect stops, but cannot be implemented without first Council initiating changes, then staff working with the community to develop a proposal, and then future notice and public hearings, and lastly Council voting to adopt them. Additionally, there are many tools listed in the ETOD Policy Plan that will need to be assessed for where they should be applied to help meet the 6 ETOD Goals. This assessment will take place as part of future phases of the work.
- **It Does Not Do Away with Single Family Zoning.** The City's [existing code provisions](#) prohibit new construction of single-family housing within gateway or midway zones inside existing TODs. However, staff does not envision using the existing TOD designations in the current code as part of the updated ETOD planning process, interim regulations, or Overlay. Staff is specifically requesting that Council direct staff to work with the community to create interim regulations for ETOD and an ETOD Overlay as described in the ETOD Policy Plan. The existing TOD code provisions would not apply to any new areas.

Urgency of the Work

Accepting the ETOD Policy Plan on March 9, 2023, to begin the steps of implementing it is key to the success of ETOD and the wider Project Connect program for the following reasons:

- It is important to move forward to implement ETOD quickly ahead of design and construction of the Project Connect system in order to guide public and private development.
- The ETOD Policy Plan supports and improves Project Connect's grant competitiveness for Federal Transit Administration (FTA) Capital Investment Grants Small Starts and New Starts funding.
- Taking action related to ETOD on March 9, 2023, would align with the timelines of various related Project Connect community engagement and public decision-making processes over the next several months.

Additional information about the urgency of the work is included in **Attachment 1**.

Background

As directed in Resolution Nos. [20210610-093](#) and [20221208-036](#), City of Austin Housing and Planning Department staff are working in partnership with Capital Metro to deliver Equitable Transit-Oriented Development (ETOD) to Austinites. Over the last year and a half, City staff, Capital Metro staff, and consultants have engaged community members, especially people of color, low-income earners, people with disabilities, non-English speakers, transit users, small business owners, and elderly residents, to understand current challenges and recommendations regarding various tools to address those challenges and reach more equitable outcomes.

The proposed ETOD Policy Plan will provide a comprehensive framework for future decision-making in support of ETOD. The ETOD Policy Plan includes a set of ETOD Goals, a Policy Toolkit, a Typology of station areas in the Project Connect system to guide future decision-making, and an Action Plan with implementation steps over the short, medium-, and long-term. It is important to note that while the ETOD Policy Plan will serve as an important framework for decisions related to investments, programs, and regulations over the years ahead, additional future council action would be needed to initiate specific investments, programs, or regulatory work supporting ETOD.

If you have questions, please contact me at (512) 974-3064 or rosie.truelove@austintexas.gov or Erica Leak, at (512) 974-9735 or erica.leak@austintexas.gov.

cc: Jesús Garza, Interim City Manager
Rodney Gonzales, Assistant City Manger

Attachment 1 – ETOD actions requested on March 9, 2023, and additional context

Accepting the ETOD Policy Plan

If Council votes to accept the ETOD Policy Plan document on March 9, 2023, Council would be signaling to staff and the community that the ETOD Policy Plan should be used as a policy document to guide future regulatory, programmatic, and infrastructure decisions in Project Connect station areas. The action to accept the Policy Plan by itself does not automatically create or apply the policy tools in the Policy Plan document. The Policy Plan is therefore best thought of as *a plan for how to plan in the future*, rather than implementation of each of the policy tools that are imagined within the Policy Toolkit (Chapter 4). The ETOD Policy Plan represents a menu of future options that can be implemented to help Austin achieve our ETOD Goals. While some tools in the Policy Plan rest fully within the City of Austin's control to implement, other tools would need to be led by other agencies, non-profits, or community organizations. Additionally, many of the tools will require additional community engagement to design them prior to implementation, and those tools related to amending existing regulations or plans would also require notification procedures, public hearings, and in some cases multiple readings at Council before they could be fully implemented.

Incorporating ETOD concepts into the Northeast Austin District Planning process

Council initiated a district planning process for Northeast Austin when it approved Resolution [20201112-043](#) on November 12, 2020. To leverage this ongoing planning process and deploy ETOD concepts quickly and efficiently, staff is requesting that Council formally authorize staff to incorporate ETOD into that planning process. This would allow for staff to collaborate within the context of the larger Northeast Austin District planning process to make recommendations for three future Green Line commuter rail stations and eight future MetroRapid stations within the boundaries of the district. While portions of the Northeast Austin District have undergone detailed small area planning processes in the past, much of this area of the city does not have adopted plans. Being able to incorporate the ETOD concepts will support planned transit investments and existing and future community members in Northeast Austin, including the MetroRapid investments that have already broken ground in this area. Without formal Council action to incorporate ETOD into this ongoing planning process, it may still be possible to achieve equitable transit-oriented outcomes in Northeast Austin, but it could create unnecessary difficulties to incorporate ETOD part way through the Northeast Austin District planning process or after the process is completed.

Initiating amendments to *Imagine Austin* to incorporate ETOD typologies

Imagine Austin, first adopted in 2012, does not fully incorporate ETOD concepts. In particular, the Growth Concept Map does not currently include information that has solidified in the past several years related to Project Connect corridors and station locations. Staff is requesting that Council initiate amendments to *Imagine Austin* that would allow staff, in collaboration with community stakeholders, to draft targeted amendments to the comprehensive plan that reflect this updated information about Project Connect and the typologies as described in Chapter 3 of the draft ETOD Policy Plan.

Initiating amendments to the Land Development Code to implement ETOD

Staff is requesting that Council initiate targeted amendments to City Code Title 25-2 (Zoning) to incorporate and begin implementing ETOD. The anticipated amendments fall into 3 categories, which would likely return to Council at different times as draft code amendments for consideration:

1. Update existing TOD code sections to revise the existing list of station areas and define a process for ETOD planning;
2. Establish interim regulations that apply to ETODs, similar to existing "initial regulations" that currently apply to designated TODs; and
3. Create and apply an ETOD Overlay as described in the ETOD Policy Plan.

These amendments are described in more detail below.

1. **Updating existing station designations and planning process:** Current code language related to TODs in Austin contains a list of nine designated TODs, ranging in specificity from exact parcel limits with adopted vision and regulating plans (such as is the case with Plaza Saltillo, Crestview Station, and MLK Station) to general names without any specified geographic boundaries (as is the case with the Oak Hill, Highland Mall, and South IH-35 Park and Ride TOD districts). The code currently also lays out the steps of a TOD planning process, with initial regulations that are followed by a station area plan and lastly a regulating plan. Staff is requesting amendments be initiated so that the list of designated TODs can be updated to designate the station locations known at this time as ETODs and reflect the ETOD planning process going forward.
2. **Establishing interim regulations that apply to ETODs:** Current code describes "initial regulations" meant to apply to TODs prior to adoption of a station area plan. These initial regulations generally support transit and pedestrian-oriented development by: A) prohibiting certain uses deemed to not be transit-supportive, B) establishing site development regulations such as building setbacks and entrance locations, and C) prescribing parking regulations. Staff is requesting that Council initiate code amendments that would allow staff to review the existing initial regulations and propose new or revised interim regulations that would better support ETOD Goals.
3. **Create and apply ETOD Overlay regulations as described in the ETOD Policy Plan:** Many of the policy tools recommended in the ETOD Policy Plan are interrelated. One particular tool, the ETOD Overlay (pgs. A58-A59 of the draft ETOD Policy Plan), has the potential to encourage ETOD across the full Project Connect system of transit investments; however, there will likely be different regulations for Commuter Rail, Light Rail, and MetroRapid station areas. The ETOD Overlay is the main implementation tool for ETOD that would allow the City to offer additional entitlements to public, non-profit, and private developers in exchange for those developers providing community benefits that help Austin achieve its ETOD Goals. While some station areas and corridors today allow for this type of bonus program, not all station areas currently have such a program in place. Further, existing bonus programs do not necessarily account for the full range of community benefits that are important for achieving ETOD—for instance, while affordable housing units are a common feature of bonus programs in Austin today, other benefits, such as affordable commercial or non-profit rental space, are not yet incorporated into existing bonus programs. Staff believes that this tool in particular will have a high impact on encouraging ETOD in station areas across Austin, especially acknowledging that detailed station area planning is resource-constrained, and staff likely will be unable to complete planning processes for the roughly 100 station areas prior to the end of construction and beginning of transit service operations. This tool will require additional analysis and community engagement to ensure it is crafted in such a way that incentivizes developers to participate in the program, requires the appropriate community benefits in return for context-sensitive entitlement bonuses, is appropriate for the type of transit service, and is mapped in a way to avoid displacement while supporting transit investments.

URGENCY OF THE WORK

Accepting the ETOD Policy Plan on March 9, 2023, to begin the steps of implementing it is key to the success of ETOD and the wider Project Connect program.

It is important to move forward to implement ETOD quickly ahead of design and construction of the Project Connect system in order to guide public and private development. Typically, land use direction is in place before or in tandem with decisions about infrastructure investment; in this sense we are already behind as a community in preparing for the success of Project Connect. Accepting the ETOD Policy Plan and moving forward into more detailed planning and implementation steps expeditiously is important because these corridors and station areas are already seeing redevelopment interest and pressure today. Updated City policy guidance related to transit-oriented development is key to guiding and shaping that existing development pressure towards equitable outcomes and cohesively supporting transit investments and community members.

The ETOD Policy Plan supports and improves Project Connect's grant competitiveness for Federal Transit Administration (FTA) Capital Investment Grants Small Starts and New Starts funding. Council acceptance of the ETOD Policy Plan and initiation of key implementation steps such as comprehensive plan amendments and code amendments demonstrate to the FTA that Austin is serious about ensuring the success of its transit investments and supporting its community members. Council taking action to implement ETOD is an important step in improving Austin's competitiveness for this crucial funding source; the sooner supportive policies are accepted and investments or regulations are initiated in Austin, the longer they will be able to be in effect and have a positive impact prior to finalizing a submittal for Full Funding Grant Agreements to the FTA.

Taking action related to ETOD on March 9, 2023, would align with the timelines of various related Project Connect community engagement and public decision-making processes over the next several months. Taking action on ETOD on March 9, 2023, will minimize public confusion, and allow the public to fully participate in community engagement activities in coming months centered on light rail implementation, led by the Austin Transit Partnership (ATP). By ensuring ETOD guidance and implementation steps are formally documented and clear to staff and the wider community at this critical juncture, Council can help contribute to maintaining the overall Project Connect program timeline necessary to deliver this generational investment in transit and our community.

What is Council being asked to do, and what is the impact?



1

Purpose of the ETOD Policy Plan

Provide a comprehensive framework to help the Austin community ensure that future development around the Project Connect transit system supports residents of all incomes and backgrounds, especially those who have been disproportionately burdened by past transportation and land use decisions.

ETOD Project Goals



 Enable All Residents to Benefit from Safe, Sustainable, & Accessible Transportation



 Help to Close Racial Health & Wealth Gaps



 Preserve and Increase Housing Opportunities That are Affordable & Attainable



 Expand Access to High-Quality Jobs & Career Opportunities



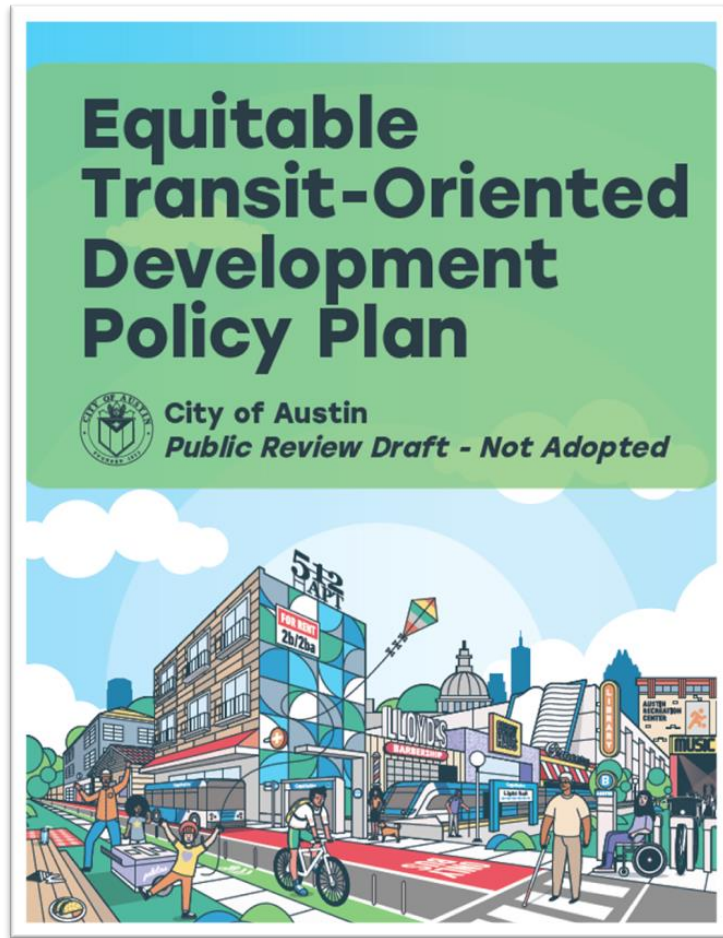
 Support Healthy Neighborhoods That Meet Daily Needs



 Sustain Austin's Diverse Cultural Heritage & Small Businesses

1. Enable All Residents to Benefit from Safe, Sustainable, and Accessible Transportation
2. Help to Close Racial Health and Wealth Gaps
3. Preserve and Increase Housing Opportunities That are Affordable and Attainable
4. Expand Access to High-Quality Jobs and Career Opportunities
5. Support Healthy Neighborhoods That Meet Daily Needs
6. Expand Austin's Diverse Cultural Heritage and Small, BIPOC-owned and Legacy Businesses

Action Requested of Council on 3/9



1. Accept draft ETOD Policy Plan
2. Initiate ETOD station area planning processes as part of the Northeast Austin District Planning effort
3. Initiate amendments to the Imagine Austin comprehensive plan
4. Initiate amendments to the Land Development Code

1. Accepting the ETOD Policy Plan

What Accepting the Plan Does

- Establishes ETOD Policy Plan as the guiding policy document for future regulatory, programmatic, and infrastructure decisions in Project Connect Station areas – “a plan for how to plan”
- Establishes six ETOD policy goals that all station areas will strive toward
- Assigns typologies to help guide future conversations
- Prioritizes station areas for future planning
- Accepts the Policy Toolkit – a menu of options Austin can use to achieve ETOD – so staff can further develop and refine the tools for possible future implementation

What Accepting the Plan Does NOT Do

- *Does not* automatically apply the Policy Tools included in the document
- *Does not* change City budget or funding
- *Does not* change zoning or regulations for any parcels

How Do We Implement the ETOD Policy Plan?

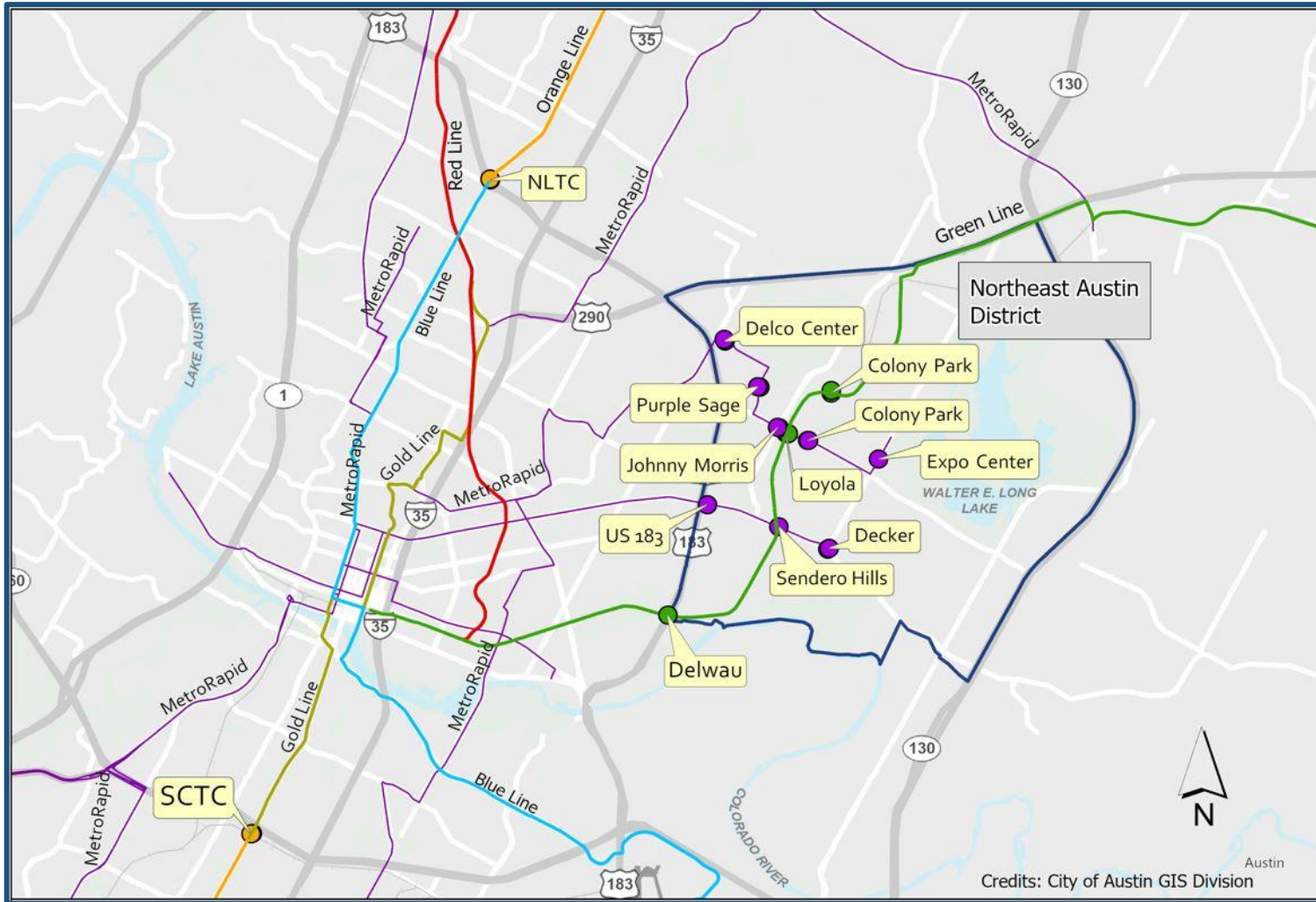
Systemwide Approach

- Imagine Austin Amendments
- Land Development Code Amendments
- Other Policy Tools that apply systemwide

Geographically Specific Approach

- ETOD Station Area planning
- Policy Tools that apply to specific stations

2. Initiate ETOD Station Area Vision Planning



Year 1 Stations for Planning

RAIL

North Lamar Transit Center- Orange Line
South Congress Transit Center- Orange Line

***Delwau- Green Line**

***Loyola- Green Line**

***Colony Park- Green Line**

METRORAPID

***Loyola/Johnny Morris**

***Colony Park Town Center**

***Purple Sage**

***Expo Center**

***Delco Center**

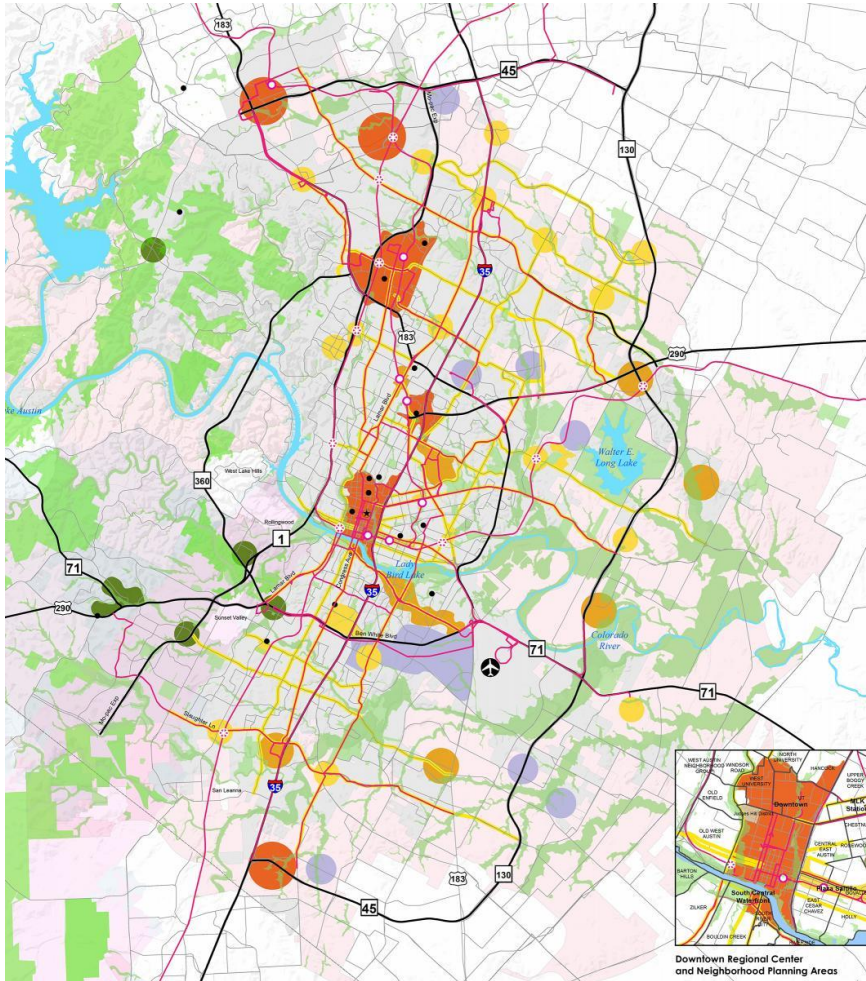
***Decker**

***Sendero Hills**

***US 183**

**Some station areas not yet initiated by City Council; staff recommends initiating at 3/9/2023 Council meeting.*

3. Amendments to *Imagine Austin*



- Growth Concept Map does not currently account for Project Connect system
- Proposed *Imagine Austin* amendments would incorporate the ETOD station areas and their identified typologies into the Growth Concept Map
- ETOD typology can then help inform requests for future plan amendments and zoning cases within ETOD station areas.

4. Amendments to Land Development Code

- On Mar. 9, 2023, staff requests City Council **initiate targeted amendments** to Land Development Code Chapter 25-2 to implement the ETOD Policy Plan.
- **Proposed amendments to be initiated:**
 - Update existing TOD code sections to revise the existing list of station areas and define a process for ETOD planning;
 - Update/establish interim regulations that apply to ETODs, similar to existing "initial regulations" that currently apply to designated TODs; and
 - Create and apply an ETOD Overlay as described in the ETOD Policy Plan (pages A58-A59) to require community benefits for increased entitlements

What are the existing TOD regulations, and how could they change? What is the ETOD Overlay?

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2

Current TOD Regulations

Current TOD Regulations (Chapter 25-2, Subchapter C, Article 3, Division 10) cover:

- Definition of TOD and current classifications
- Purpose & principles of TOD
- List of current 9 TOD districts (Red Line and Park & Ride sites) and their classification type
- Requirements for "initial regulations" if a station area plan is not yet adopted, including:
 - Prohibiting certain uses
 - Site development requirements like setbacks and building entrance locations
 - Surface parking restrictions
- The 2 step TOD planning process (station area plan + regulating plan) and associated adoption and amendment procedures

Proposed Updates to Current TOD Regulations

- Update the list of TODs to include the station areas in the ETOD Policy Plan (98 station areas)
 - Includes commuter rail, light rail, and MetroRapid stations as directed by Council Resolution 20210610-093
- Analyze and recommend proposed changes to "initial regulations" necessary to achieve the ETOD Goals
- Update the previous 2 step TOD planning process to be consistent with ETOD planning process
- **Any recommended updates would follow the standard notice process and have public hearings at both Planning Commission and Council before they could be adopted**

What will guide the ETOD Overlay?

- Driven by community engagement, equity, and the 6 ETOD Goals
- Staff will work with the community to determine:
 - The appropriate balance of community benefits that would be required of those using the Overlay, including affordable housing and other amenities and services.
 - The appropriate additional entitlements that would be offered in exchange for those benefits.
 - How to apply the Overlay (*map it*) so that it reaches ETOD Goals, centers equity, and helps prevent displacement.
 - How the Overlay will interact with other existing plans and regulations that already apply in ETOD station areas.

What is the ETOD Overlay?

The ETOD Overlay IS

- A proposed zoning overlay that would be mapped to apply systemwide
- A bonus program designed to achieve the 6 ETOD Goals
- A balance of additional entitlements offered in exchange for community benefits, including affordable housing

The ETOD Overlay IS NOT

- An opt in/out effort where station area stakeholders could choose to "opt out" of ETOD
- Required redevelopment – property owners can determine whether to redevelop
 - If they do want to, they can choose to use their base zoning or the proposed overlay
- Automatic zoning applied today – it will take time to create the Overlay with community input, and eventually go through the required notice and public hearings to actually adopt the overlay

How is the ETOD planning process different from the current TOD process? How does it relate to other work?

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3

TOD vs. ETOD Planning Process

Current TOD Planning Process in LDC

Step "0": Initial Regulations

- Apply as soon as a TOD is mapped

Step 1: Station Area Plan

- Sets out vision for future station area
- Does not change zoning, but does get amended into any existing neighborhood plans

Step 2: Regulating Plan

- Establishes permitted and conditional uses
- Prescribes site development regulations and general development standards

Proposed ETOD Planning Process

Systemwide ETOD regulations to support the 6 ETOD goals

- Updated interim regulations that apply systemwide
- ETOD Overlay that would apply systemwide (but may not apply to all parcels within all station areas)

Step 1: Station Area-Specific Plan (Vision Plan)

- Sets out a vision for the future station area
- Identifies implementation strategies to achieve vision
- Multiple station areas (for instance, in a district or along a corridor) may be incorporated into a single vision planning process.

Step 2: Implementation

- Implement Station Area Vision Plan through investments, regulations, programs, and partnerships
- Not every station will need regulatory changes to achieve the vision and ETOD Goals

Relationship to Other Work

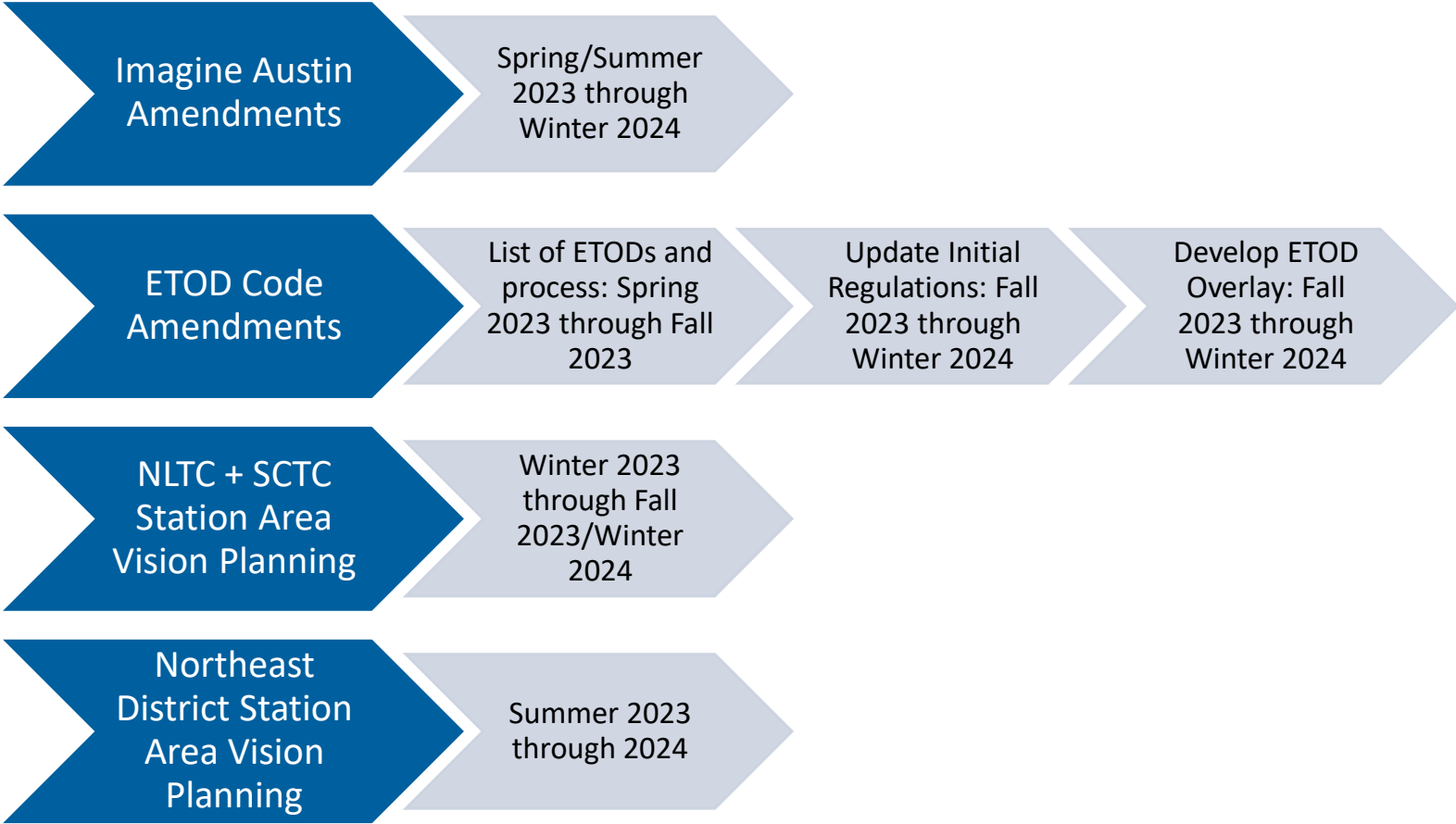
- Other planning will continue to occur in areas not designated as ETOD station areas, with ETOD incorporated when appropriate:
 - Small area planning
 - District level planning
- Existing code and policy framework will be considered when developing ETOD-related regulations:
 - LDC regulations including recent amendments related to Compatibility on Corridors and Residential in Commercial
 - Existing TOD regulations and other special districts and overlays such as ERC (East Riverside Corridor), NBG (North Burnet Gateway), VMU (Vertical Mixed Use), and UNO (University Neighborhood Overlay)

What is the timeline?
What things are already
happening that support
ETOD?



4

Potential Timeline for ETOD Implementation



Non-Regulatory Policy Tools Currently Underway

- Land acquisition for affordable housing
- Augmenting of housing funds to support preservation of existing multifamily properties
- Community Land Trusts (CLTs)
- Tax abatement financing
- Home repair and assistance programs
- Rental assistance