

ORDINANCE AMENDMENT REVIEW SHEET

Amendment: C20-2023-001 Childcare Services

Description: Amendments to Title 25 pertaining to childcare and adult care services to adjust zoning district uses, eliminate minimum parking requirements for childcare services, add childcare services (limited) as an accessory use to a principal residential use, and modify definitions to increase opportunities for childcare services around the city.

Background: Initiated by City Council [Resolution No. 20230126-055](#)

On October 4, 2018, the Austin City Council passed [Resolution No. 20181004-036](#), directing the City Manager to evaluate fee and zoning regulations pertaining to childcare centers with the goal of supporting affordable and high-quality childcare in the city. The resolution acknowledges that removing certain barriers imposed by the city is crucial for facilitating the establishment, expansion, and operation of childcare facilities. It specifically identifies Land Development Code regulations and City fees associated with opening, expanding, and operating childcare centers as significant obstacles faced by providers in Austin.

In response to [Resolution No. 20181004-036](#), staff from the Housing and Planning Department, Development Services Department, and Austin Public Health provided a report outlining recommendations for implementing changes to the Land Development Code (LDC) and introducing fee waiver programs as identified by the Council. Regarding LDC changes, the staff proposes allowing Day Care Services (Limited) as an accessory use in principal residential areas. They also suggest creating a new definition and use category called "Child Care Services" in the land development code, while modifying the existing "Day Care Services" definition to "Adult Care Services" to differentiate services for enrollees aged 18 and above. Furthermore, the report recommends adjusting the maximum number of enrollees permitted in Day Care Services (Limited) from 6 to 12 to align with state regulations and ensure consistency among home childcare providers. Additionally, the maximum number of enrollees in Day Care Services (General) is recommended to be changed from more than 6 persons but no more than 20 persons to more than 12 persons but not more than 24 persons, and Day Care Services (Commercial) is recommended to be changed from 21+ to 25+ persons. Regarding the waiver of development fees, the report proposes establishing a grant program funded by the general fund, with a predetermined annual amount and a cap on the total amount available per grant application. The report suggests excluding fees for optional services such as after-hours inspections and expedited reviews, as well as fees resulting from non-compliant work, including re-inspection fees. The Development Services Department (DSD) would be responsible for administering the grant program.

In January of 2023, City Council passed [Resolution No. 20230126-055](#), instructing the City Manager to develop necessary amendments to the Land Development Code (LDC) to increase opportunities for childcare services throughout the city. Additionally, the resolution calls for the creation of a grant program to assist qualifying childcare operations in covering City fees associated with opening or expanding a childcare facility.

The Resolution directs staff to develop LDC amendments that achieve the following objectives:

1. Introduce a zoning use classification and definition for Childcare Services.
2. Eliminate requirements for non-accessible parking in childcare services.
3. Allow childcare services as an accessory use in principal residential areas.
4. Modify the maximum number of enrollees allowed in childcare services.
5. Increase opportunities for childcare services throughout the city by:
 - a. Adjust zoning districts where childcare services are permitted or conditional uses.
 - b. Designate childcare services as permitted uses in areas with childcare deserts.
 - c. Implement other appropriate changes to the conditional use permitting process.
6. Restrict childcare operations in zoning districts that are incompatible with their use.

Regarding the grant program, the Resolution directs the City Manager to create an economic development grant program for qualifying childcare operations, covering specific City fees for opening or expanding services. The program, as outlined in the Resolution, is intended to have predetermined funding with caps on amounts per grant application, prioritize equitable distribution with a focus in childcare deserts, and prioritize employers offering a living wage. As specified, funds are for the purpose of covering City fees for Conditional Use Permits (CUP), annual Austin Fire Department (AFD) fees, and fees related to the use of the property. However, in response to directives 5.a and 6, the zoning districts requiring a Conditional Use Permit (CUP) are proposed to greatly diminish in comparison to current conditions. Under the proposed permitted use table, Childcare Services would only require a CUP within three zoning categories: Commercial Recreation, Development Reserve, and Agricultural. Due to the anticipated decrease in the need for CUPs, the Development Services Department does not recommend instituting a grant program to cover City fees associated with the permit process.

Summary of Proposed Code Amendment:

The proposed code amendments aim to enhance and expand the provision of Childcare Services in the city. The amendments include the following key improvements:

1. Land Use Definitions: Definitions for Childcare Services have been created. The previous Daycare Services definition has been modified to Adult Care Services.
2. Enrollee Caps: Childcare Services have been categorized into three types - Limited, General, and Commercial, each with specific enrollee caps.
 - a. Limited: Up to 12 persons
 - b. General: More than 12 but not more than 24 persons
 - c. Commercial: More than 24 persons
3. Zoning District Modifications: In order to broaden access to childcare, Childcare Services has been proposed as a permitted use in zoning districts where it is currently a conditional use, and as a conditional use in districts where it is currently not permitted.
4. Restricting Incompatible Uses: Industrial zoning districts (Industrial Park, Major Industry, Limited Industrial Services), which may pose potential hazards or incompatibility, have been designated as not permitted for Childcare Services.

5. Regulating Plans Alignment: All applicable Regulating Plans have been updated to align with the changes in allowable uses for each zoning district.
6. Residential Accessory Use: Childcare Services (Limited) has been added as an accessory use to a principal residential use, allowing for the establishment of smaller childcare facilities within residential areas.
7. Parking Requirements: Minimum off-street parking requirements have been removed for all Childcare Services land uses, except for accessible spaces. This encourages the setup of childcare facilities without unnecessary parking burdens, facilitating easier establishment of such services.

By implementing these amendments, Staff aims to create more opportunities for childcare services, ensuring accessibility and safety while accommodating the diverse needs of the community. These improvements contribute to a more vibrant and family-friendly city, supporting the well-being and development of its residents.

Proposed Amendment Text:

See attached draft redline.

Staff Recommendation: Recommended

Staff recommends the code amendments described above. Additionally, staff recommends that Council consider waiving fees for other parts of the development process as the proposed changes minimize the likelihood that a conditional use permitted will be needed.

Board and Commission Actions:

Early Childhood Council Briefing: August 12th, 2023

Codes and Ordinances Joint Committee Review: August 16th, 2023

Planning Commission Public Hearing: September 26th, 2023

Council Action:

To be considered on October 19th, 2023

Sponsor Department: Planning Department

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