

## **ORDINANCE AMENDMENT REVIEW SHEET**

**Amendment:** C20-2023-026 Live Music Venue and Creative Space Bonus Phase 2

**Description:** Consider amendments to Title 25 of the City Code to create a new Creative District combining district with provisions for creative space and music venue preservation, modified site requirements, and density bonuses for affordable creative space.

**Background:** Initiated by City Council Resolutions 20220728-094 and 20220901-089, and reaffirmed by City Council Resolutions

On July 28, 2022, the City Council adopted Resolution No. 20220728-094 initiating changes to establish the criteria to be a Live Music Venue to and support the creation of a live music venue bonus and incentive program for new and existing venues. On September 1, 2022, the City Council adopted Resolution No. 20220901-089 initiating changes to develop and adopt clear land use definitions and to create a bonus and incentive program for broadly defined creative spaces. These Resolutions are being addressed concurrently. Revised definitions were approved on September 14, 2023, in Ordinance 20230914-097. Ordinance No. 20230921-103 and Resolution 20240229-060 reaffirmed City Council's commitment to the creation of a density bonus and district program to support live music and creative space districts and the preservation and incentivization of affordable creative space.

### **Summary of Proposed Code Amendment:**

The proposed code amendments will create a new combining district for an affordable creative space bonus program and:

1. Is available city-wide on parcels in districts that have been rezoned to add the new combining district designation
2. Defines the following land uses as creative space uses:
  1. Art Gallery;
  2. Art Workshop;
  3. Cocktail Lounge;
  4. Performance Venue;
  5. Personal Improvement Services;
  6. Theater;
  7. Other related uses as approved by the Director.
3. Requires the following use requirements for developments in creative district combining districts:
  1. Along at least 30 percent of building frontage along the principal street, the building must be reserved for affordable creative space uses in ground-floor spaces;
  2. At least 25 percent of ground floor gross leasable area in the building must be dedicated to affordable creative space; and,

3. Development must comply with protections consistent with Existing Non-Residential Space provisions of 4-18-31 for existing creative space uses in existence on the site for at least 12 months; the developer must:
  1. Redevelop the site to replace all existing creative spaces with creative spaces of comparable size;
  2. provide current creative space operators with:
    1. notice and information about the proposed development on a form approved by the director;
    2. relocation benefits that are consistent with the Federal Uniform Relocation Assistance and Real Acquisition Policies Act of 1970, 42 U.S.C. 4601, et seq.; and
    3. grant a creative space operator the option to lease a creative space of comparable size and affordability following the completion of redevelopment.
4. Defines affordable creative space as the lesser of 50% of average retail space rent for the City of Austin, or a fixed ratio of annual revenues considered typical of and sustainable for the type of creative space as approved by the Director; and limits year-over-year rent escalation to 5% or less for any creative space tenant.
5. Allows a development that provides on-site affordable units or pays a fee in-lieu to be eligible for 30 feet of additional height above the maximum height allowed by the base zoning, up to 90 feet in total height and exemptions from the following site development standards:
  1. Minimum site area requirements
  2. Maximum floor area ratio
  3. Maximum building coverage
  4. Minimum street side yard setback and interior yard setback
  5. Minimum front yard setback
6. Modifies the applicability of Article 10 Compatibility Standards and creates compatibility requirements for a participating development as follows:
  1. Exemption from Article 10 (Compatibility Standards) Subchapter C
  2. A compatibility buffer including a screening zone and restricted zone for developments that share a property line with a triggering property:
    1. Screening zone to extend 10 feet into the property and to include minimum required plantings to provide visual separation between uses
    2. Restricted zone to begin at the edge of the screening zone and extend 15 feet into the property allowing only low intensity uses such as trails, driveways, and fire lanes
    3. Stormwater infrastructure will be allowed in the screening zone and restricted use zone
  3. Screening for certain objects including vehicle lights, mechanical equipment, and refuse collection areas

**Code Amendment Text:** See attached background information.

**Staff Recommendation:** Pending

The Economic Development Department supports adopting this density bonus combining district as important Council-recommended actions to support preservation and new development of affordable space for live music venues and creative spaces. These tools

support the regulatory changes identified in City Council Resolutions 20220728-094 and 20220901-089, including development bonuses designated districts to support creative spaces, and reaffirmed in City Council Ordinance No. 20230921-103 and Resolution 20240229-060.

Rather than prescribe areas as creative districts directly, this unmapped district creates a tool that can be used by property owners in partnership with creative space operators, artists, and musicians, to preserve and enhance clusters of live music, art galleries and workshops, theaters, and performance spaces, with strong community oversight through the rezoning process. Proposed criteria for applying this combining district are substantial, and intended to ensure that applications of the creative district combining district will be focused on areas with significant support from creative community and neighborhood stakeholders.

**Board and Commission Actions**

**March 18, 2024** – briefing to the Arts Commission

**March 20, 2024** – to be reviewed by the Codes and Ordinances Joint Committee

**April 1, 2024** – to be reviewed by the Music Commission

**April 23, 2024** – to be reviewed by the Planning Commission.

**Council Action**

**May 30, 2024** – to be considered by City Council

**City Staff:**

Donald Jackson, Economic Development Department, (512) 974-2214