

CREATIVE DISTRICT COMBINING DISTRICT

PURPOSE

The purpose of the creative district (CD) overlay district is to provide voluntary development bonuses in return for providing affordable commercial space in new development or contributing to a fund for preservation of creative space in the creative district.

PROPOSED ZONING CHANGES

CHANGES TO DEFINITIONS/TERMINOLOGY

CREATIVE SPACE means a site that includes one or more of the following occupancies:

- Art Gallery;
- Art Workshop;
- Cocktail Lounge (*note: intent is only for existing preservation purposes, if a cocktail lounge is operating as a performance venue*);
- Performance Venue;
- Personal Improvement Services;
- Theater;
- Other related uses as approved by the Director.

EXISTING CREATIVE SPACE means a site that includes one or more CREATIVE SPACE occupancies that has been operating for at least 12 months.

NON-RESIDENTIAL SPACE means CREATIVE SPACE for the purpose of this section.

ELIGIBILITY

- 1) A proposed development is eligible for this program if:
 - a. Its zoning includes the creative district overlay zoning string;
 - b. Along at least 30 percent of the building frontage along the principal street, the building must be reserved for affordable creative space uses in ground-floor spaces;
 - c. It includes at least 25 percent of ground floor gross leasable area dedicated to affordable creative space through restrictive covenants; and,
 - d. It complies with protections consistent with Existing Non-Residential Space provisions of 4-18-31.
- 2) An applicant may pay a fee-in-lieu of on-site affordable creative space if:

- a. the fee-in-lieu of on-site affordable creative space is sufficient to construct or preserve an equivalent gross leasable area that would have been required on-site;
- b. the creative space receiving the fee-in-lieu is located in the same creative district as the site generating the fee-in-lieu; and,
- c. the director authorizes the applicant to pay a fee-in-lieu.

AFFORDABILITY REQUIREMENTS

- 1) A development that leases space to a creative space must comply with the following minimum requirements:
 - a. Rent for the creative space or spaces that contribute to the bonus program must be 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
 - b. Year-over-year rent escalation may not exceed 5% for any creative space tenant.
- 2) The minimum affordability period for a development is 10 years following the issuance of the last certificate of occupancy required for the qualifying development.
- 3) If a development is owned by its creative space operator, affordability provisions apply:
 - a. For any of the creative space owner-operator's creative space tenants;
 - b. If the creative space property is leased any time during the 10 year term.
- 4) If the property is sold within 10 years of receiving certification through this division, affordability provisions will be required to complete the 10 year term.
- 5) In a multi-phased qualifying development, the director may begin the minimum affordability period upon the issuance of the last certificate of occupancy for each phase.
- 6) If a fee-in-lieu is used toward preserving an existing creative space in the same creative district, and if the preserved creative space is not owned by its operator, then the minimum affordability period for the preserved space is 10 years.
- 7) If a fee-in-lieu is used toward preserving an existing creative space in the same creative district, and if the preserved creative space is owned by its operator, affordability provisions apply:
 - a. For any of the creative space owner-operator's creative space tenants;
 - b. If the creative space property is leased any time during the 10 year term.
- 8) If a fee-in-lieu is used toward preserving an existing creative space in the same creative district, the director may modify the minimum affordability period in exceptional cases to prevent displacement of the creative space.

BONUSES

- 1) If a development meets the eligibility and affordability requirements above:

- a. The maximum floor area ratio otherwise permitted for residential or commercial uses may be increased by up to 50 percent of the base zoning allowance, provided that for every four square feet of bonused floor area, an amount of space equivalent to one square foot of such bonused floor area shall be used for a creative space use.
- b. The maximum building height otherwise permitted for residential or commercial uses may be increased by up to 30 feet or two stories, provided that a minimum of 25 percent of the bonused floor area, shall be used for a creative space use. The creative space use should be located on the ground floor, unless alternative placement is approved by the director.

2) Compatibility Requirements:

- a. A building is not required to comply with Article 10 (Compatibility 111 Standards), Subchapter C.
- b. In this subsection, a triggering property:
 - i. includes at least one dwelling unit but less than four dwelling units; and
 - ii. is zoned Urban Family Residence (SF-5) or more restrictive.
- c. Compatibility Buffer. A compatibility buffer is required along a site's property line that is shared with a triggering property.
 - i. The minimum width of a compatibility buffer is 25 feet.
- d. A compatibility buffer must comply with Section 25-8-700 (Minimum Requirements for a Compatibility Buffer).
- e. Exterior lighting must be hooded or shielded so that the light source is not visible from the site's property line that is shared with a triggering property.
- f. Mechanical equipment may not produce sound in excess of 70 decibels measured at the site's property line that is shared with a triggering property.
- g. A concrete slab used for a refuse receptacle may not be placed within 15 feet of triggering property.
- h. Except for a multi-use trail, an on-site amenity that is available only to residents and occupants of the site and their guests may not be located within 25 feet of a triggering property.
- i. A concrete slab used for a refuse receptacle may not be placed within 15 feet of triggering property.
- j. Except for a multi-use trail, an on-site amenity that is available only to residents and occupants of the site and their guests may not be located within 25 feet of a triggering property.
- k. Screening Requirements. The following objects may not be visible at the site's property line that is shared with a triggering property and shall be screened:
 - i. vehicle lights from vehicles that use or are parked on a parking lot or in a parking structure located on the site;
 - ii. mechanical equipment;
 - iii. outdoor storage;
 - iv. refuse receptacles and collection areas; or
 - v. common areas for amenities, including outdoor decks, patios, or pools.

- 3) If a development is also eligible to utilize a separate density bonus program that grants density bonuses for the provision of affordable dwelling units or for the payment of a fee-in-lieu for affordable housing, then the qualifying development may comply with the least restrictive site development requirements if:
- a. all affordable dwelling units are provided on-site; and,
 - b. at least 50 percent of bonused floor area must be achieved by providing on-site affordable creative space or by paying a development bonus fee-in-lieu toward preserving an existing creative space in the same creative district.