

October 14, 2025

Planning Commission

City of Austin
301 W. Second St. Austin, TX 78701

Chair Woods and Members of the Planning Commission:

As local stakeholders who care deeply about the vibrancy and affordability of our city, we are writing today to share our concerns regarding the proposed revisions to the current Downtown Density Bonus program. We appreciate City staff's timely response to Senate Bill 840 and the ongoing effort to maintain a functioning Downtown Density Bonus program. AURA shares the broad goal of keeping this program successful, but we strongly urge the City to consider all options as it begins this revision process in the Central Business District.

Specifically, in staff's own analysis (PublicInput "Median Height for Developments in CBD"), the median height of new downtown towers has risen from roughly 200 feet in 2010 to over 520 feet today. We believe that setting a new 350-foot cap would therefore set the "bonus" threshold height far below what the local market already builds. Because the Downtown Density Bonus incentives would then start well beneath existing market height, it may fail to function as a true incentive and instead act as a constraint on housing supply in the core of our city.

Given that Senate Bill 840 removed FAR limits for mixed-use and multifamily projects in commercial zones, we believe Austin's response should reflect that by setting baseline entitlements that match actual development patterns. If the City wishes to preserve a density-bonus structure, it must ensure that participation genuinely provides additional capacity and public benefit, not merely permission to build projects.

We are also concerned by the extremely prescriptive height map presented by staff. Rather than reflecting the organic pattern of downtown growth, it proposes a patchwork of arbitrary limits that would lock in existing disparities between blocks. The City should instead apply a consistent height baseline across the downtown core, allowing Austin's center to evolve as a cohesive, mixed-use district rather than a mosaic of height restrictions.

The AURA board encourages the City to focus its downtown program reforms on desired outcomes: more housing, better streetscapes, and stronger fiscal returns for our municipal finances. Aligning the base height with current and future development patterns will keep downtown growing, while reserving the Downtown Density Bonus program for clear, measurable benefits such as critical contributions to housing-related funding and public-realm improvements.

Sincerely,

Zach Faddis
President, Board of Directors
AURA

Recommended Actions

- **Calibrate base height to align with real-world development patterns.**
Revisit the proposed CBD base height and ensure ongoing coordination with median tower heights (\approx 520 ft) and projected tower heights so that the Downtown Density Bonus represents a true “bonus”.
- **Map the entire downtown region to the CBD height standard.** Replace the overly prescriptive block-by-block height map with a uniform CBD height designation across the downtown area, ensuring clarity, predictability, and a cohesive urban fabric.
- **Redefine the Downtown Density Bonus program as a responsive market incentive.** Align the program to allow ambitious, above-market projects in exchange for measurable benefits, rather than imposing artificial scarcity on typical development that suppresses housing supply.
- **Study and adopt alternative revenue mechanisms.** Analyze how expanded by-right entitlements could grow the tax base and support affordability through stable value-capture tools rather than project-by-project bonuses.
- **Re-evaluate affordability and public-benefit calibration post-SB 840.** Align fees and on-site requirements with current construction economics to avoid disincentivizing housing production.
- **Extend “Great Streets”-level public-realm standards throughout the urban core.** Adopt those streetscape standards as baseline expectations both inside and outside the DDB boundary, ensuring consistent sidewalk quality and shade coverage citywide.
- **Encourage continued staff innovation on permitting and housing delivery.** The rapid turnaround on DDB program changes in response to SB 840 demonstrates an organizational capacity that proves complex reforms can move at record speed. We hope that momentum proves contagious across the rest of Austin’s housing code.



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October 3, 2025

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Honorable City Council, Commissioners, and Staff:

The Downtown Austin Neighborhood Association (DANA) opposes height limits and other exclusionary zoning downtown, and we specifically oppose the base height limit proposed in the [C20-2025-010 Central Business District \(CBD\) amendments](#).

We recognize that the proposed CBD base height limit is an attempt to restore the incentive to participate in the Downtown Density Bonus Program (DDBP), given that SB 840 removed the floor area ratio (FAR) limits on which the program depends. As we noted in a [March 2024 letter](#), density bonus programs rely on exclusionary zoning to "work" and produce less housing relative to granting the same entitlements by right.

Indeed, a [2024 Turner Center and UCLA study](#) of Los Angeles' Transit Oriented Communities (TOC) program found that removing the affordability requirements, and granting the "bonus" entitlements by right, would produce 38% more housing over a decade. The report confirmed that calibration is futile; housing production suffers dramatically no matter how lenient the affordability requirements (short of eliminating them entirely).

We thus reiterate our [March 2024 proposal](#) to replace the DDBP with a mechanism that (1) captures the extra property tax revenue resulting from having no FAR caps or height limits and (2) dedicates a portion of it to affordable housing and other community benefits. This alternative will produce more housing overall, and provide a larger and steadier funding stream for these community benefits, than would downzoning the CBD to restore the incentive to participate in the DDBP.

Sincerely,

Board of Directors
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