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11/8/07
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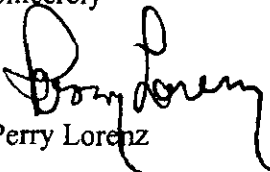
November 6, 2007

Mayor and City Council

I am sorry that I'm unable to be here today but am making a few quick comments via this letter. I mainly want to make it clear that this entire notion of a Density Bonus process is not a bold new proposal. Rather it is a formalization of a process that is already well under way and has been in common practice here in Austin for the past several years. I am not aware of any major downtown project seeking greater density that has not, de facto, participated in a density bonus process. I.e. developers publicly commit to various interest groups to provide community benefits in exchange for public support for their increased entitlements. This has been in the form of payments to non profits involved in park and trail enhancement, voluntary building of "Great Streets" money committed to affordable housing efforts, land dedicated to the public for connectivity, subsidized space for the arts, etc. A density bonus program will merely formalize this process that is already in place, make it understandable and equitable and more readily insure that developers provide benefits in keeping with community goals and values. This is not an added layer of cost and complexity, rather it de politicizes and clarifies a process that has, heretofore, resulted in ad hoc, one off public relation campaigns for each up-zoning that occurs. Outcomes have been uncertain and with no guaranty of equity in the process.

Because of legal issues we believe that if such a program is adopted it will have to be an incentive based voluntary program. No one will be compelled and will be able to choose whether or not to participate. We also understand that there are significant financial implications to such a program that we cannot quantify or understand. We leave it to the Downtown Planning Team to offer their insights into the financial feasibility of adopting such a process. The role of the task force has been to look into how the process has worked in other cities and to lay the issue on the table for your consideration. Thank you for the opportunity to participate.

Sincerely



Perry Lorenz

Austin Design Commission

Density Bonus Recommendations

Presentation to Austin City Council on
November 8, 2007

Council Directive for Density Bonus Report

- ◆ On September 28, 2006, Design Commission was directed by Council to provide recommendations for density bonus options that would allow greater density in exchange for community benefits such as affordable housing, public art, and open space
- ◆ Also directed to bring together the efforts of various groups in the city on density bonus issues, such as affordable housing and others

Density Bonus Task Force Process: Task Force Creation

- ◆ Design Commission formed a Density Bonus Task Force
- ◆ Task force met two to four times per month beginning November 11th, 2006
- ◆ Total number of meetings: 30

Density Bonus Task Force Process: Task Force Research

- ◆ Reviewed best practices for density bonus programs
- ◆ Clarified program goals
- ◆ Defined potential community values
- ◆ Noted challenges to a density bonus program
- ◆ Discussed potential incentives

Density Bonus Task Force Process:

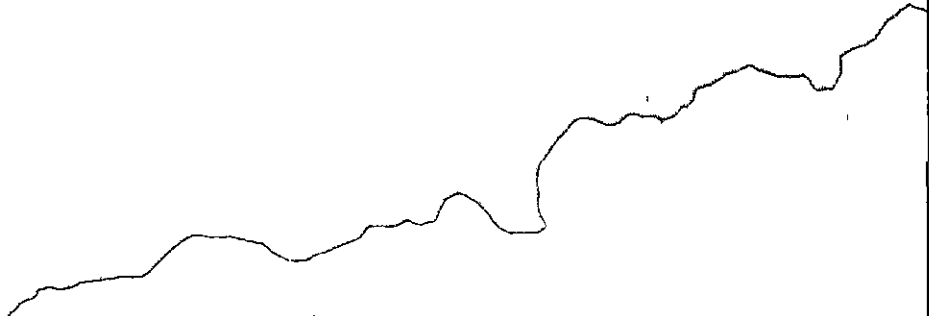
Stakeholder Input

- ◆ Requested input on density bonus options from:
 - downtown planning consultants
 - city staff, including planning staff
 - interested stakeholders
 - community leaders
 - numerous boards and commissions
- ◆ Crafted interim recommendations based on input

Density Bonus Task Force Process: Community Feedback

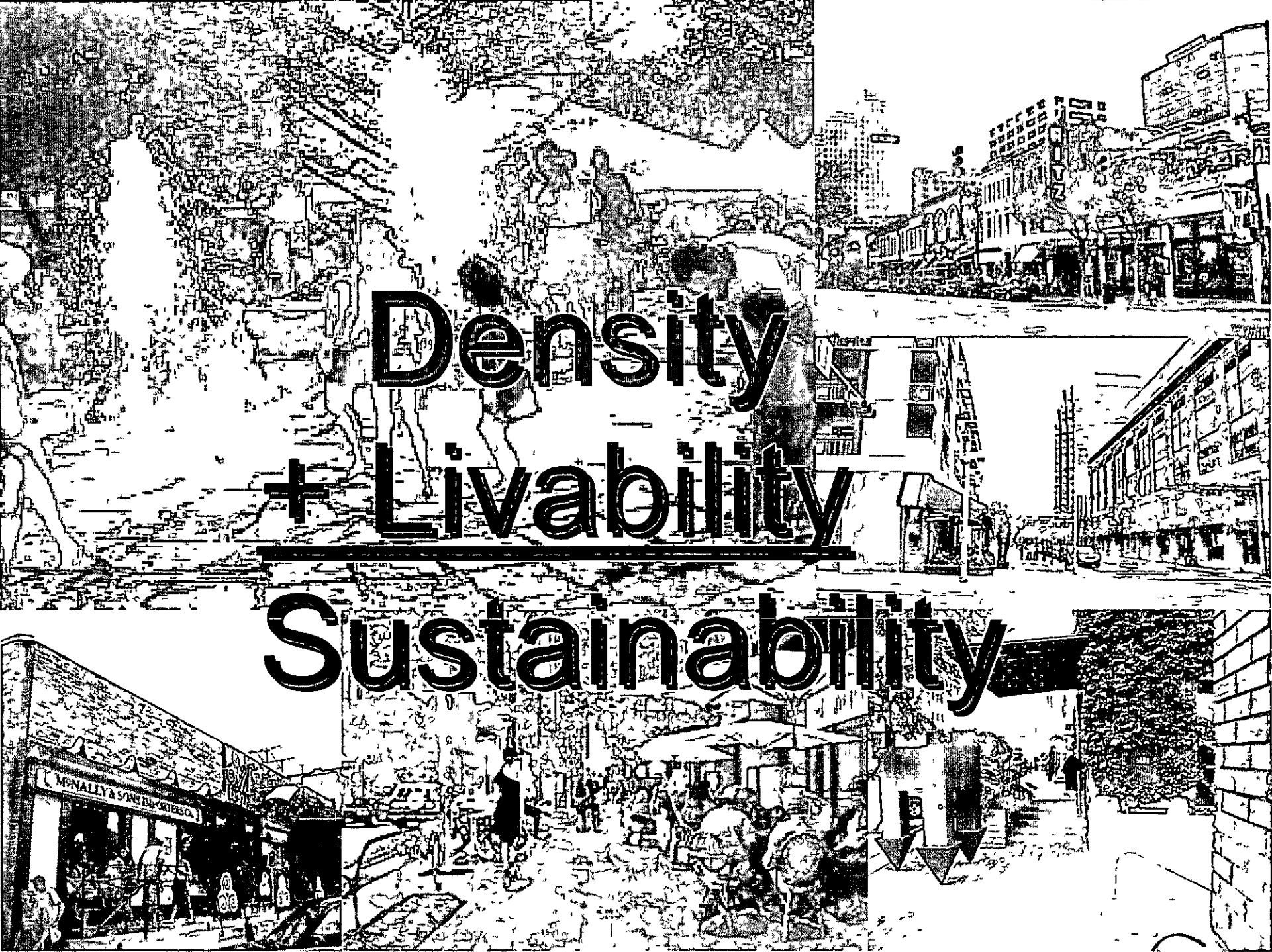
- ◆ Interim recommendations presented to and feedback requested from:
 - Neighborhood Housing and Community Development
 - Arts Commission
 - Music Commission
 - Parks and Recreation Board
 - Planning Commission
 - Resource Management Commission
 - Capital Metro
 - Downtown Austin Alliance
 - Downtown Commission
 - Historic Landmark Commission
 - Urban Transportation Commission

Density Bonus Task Force Process: Final Recommendations

- ◆ Design Commission Density Bonus
final recommendations approved
unanimously by the Design
Commission on September 10, 2007
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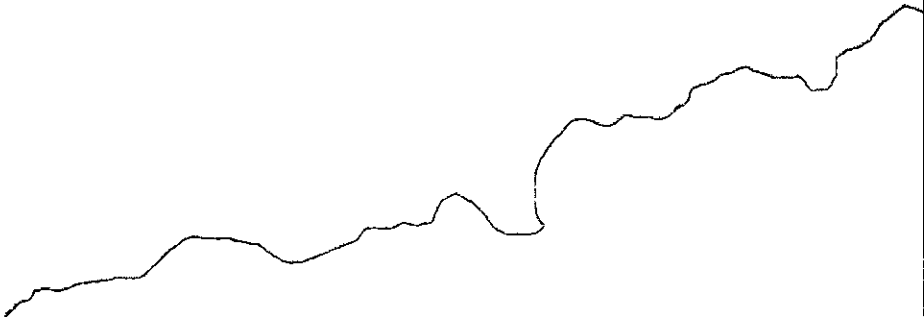
Density Bonus Task Force Members

- ◆ Eleanor McKinney
 - Principal of McKinney Landscape Architect Inc.
- ◆ Girard Kinney
 - Principal of Kinney & Associates Architects
- ◆ Phillip Reed
 - Principal of Cotera + Reed Architects
- ◆ Perry Lorenz
 - Real Estate Developer
- ◆ Jeannie Wiginton
 - Principal of CDM
- ◆ Holly Kincannon, Advisor
 - Principal of ARCHAIC & HK design



Density + Livability Sustainability

Density Bonus Research

- ◆ Development incentives
 - ◆ Austin's incentive programs
 - ◆ Density bonus programs in other cities
 - ◆ Portland delegation report
- 

Research:

Development Incentives

- ◆ Examined different types of development incentives, including:
 - Density bonuses
 - Fee-in-lieu-of
 - Transfer of developments rights
 - Use of developer agreements
 - Reduction of parking requirements

Research:

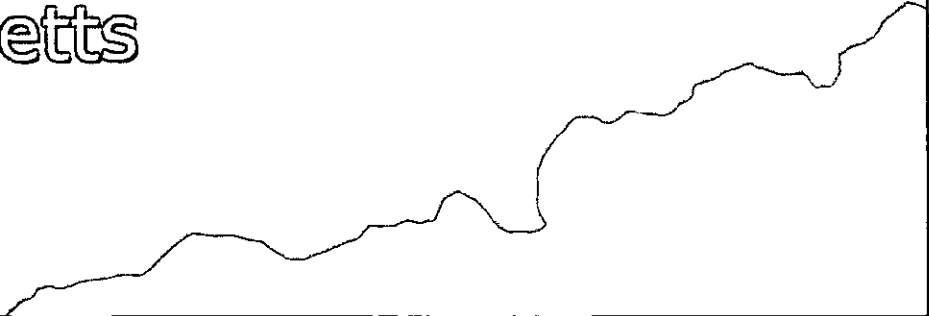
Austin's Incentive Programs

◆ Examined Austin's existing programs that provide development incentives including:

- Vertical Mixed Use
- Transit Oriented Developments
- University Neighborhood Overlay
- S.M.A.R.T. Housing
- SuperPUD

Research:

Programs in Other Cities

- ◆ Examined development incentive and density bonus programs in:
 - Portland, Oregon
 - Vancouver, B.C.
 - Seattle, Washington
 - San Diego, California
 - Atlanta, Georgia
 - Boston, Massachusetts
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Research:

Portland Delegation Report

◆ Members of task force traveled to Portland to:

- Review density bonus program since its inception in 1988
- Participate in group interviews with senior planning staff, design commissioners, developers, and architects
- Attend site visits to redeveloped areas that utilized developer agreements to implement community planning goals through density bonus options and transfer of development rights

Recommendation: Establish a Density Bonus Program with these Community Benefits

- ◆ Affordable and workforce housing
- ◆ Child and elder care
- ◆ Open space
- ◆ Pedestrian connectivity
- ◆ Transit
- ◆ Green building
- ◆ Historic preservation
- ◆ Saving of valuable community features
- ◆ Space for non-profits
- ◆ Public art
- ◆ Cultural facilities and live music venues
- ◆ Sound mitigation

Recommendation: Set Baseline Requirements

- ◆ Set baseline requirements for participation in a density bonus program
 - provision of affordable and workforce housing
 - compliance with the Downtown Design Guidelines
 - implementation of Great Streets on street frontages

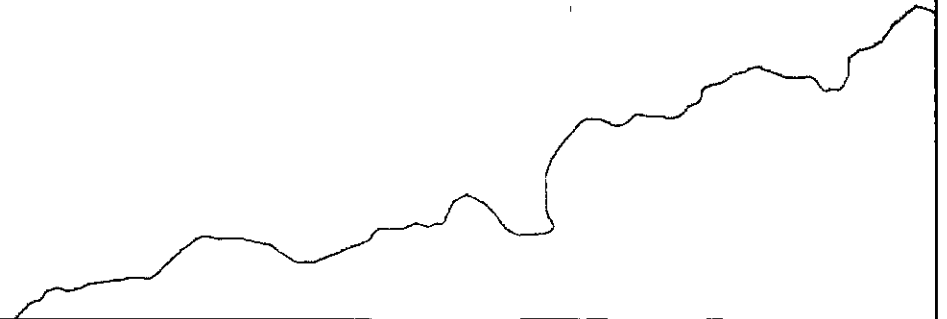
Recommendation: Maintain existing FARs

- ◆ Granting additional FAR above the current baseline levels is the most powerful tool the City possesses to achieve community goals,
- ◆ The City should leave existing Floor-to-Area Ratios (FARs) as they are, and grant additional FAR only as a development incentive tied to identified community goals.

Recommendation:

Define goals by area

- ◆ Define areas with common challenges and opportunities and develop community planning goals within the areas, e.g., Lady Bird Lake, Waller Creek, and IH-35
- ◆ Utilize density bonuses to achieve the community goals.



Recommendation: Minimize visible parking

- ◆ Provide incentives to wrap parking with occupied space or locate it underground
 - Could re-define FAR within the Density Bonus Program to include above-ground structured parking, unless it is wrapped with occupied space

Recommendation: Incentivize Space for Community Uses

- ◆ Exempt from FAR calculations square footage for uses that embody community values
 - e.g. historic preservation, space for non-profits and cultural facilities

Recommendation: Create a TDR Program

- ◆ Establish a Transfer of Development Rights program
 - The City or a private entity could acquire and hold unused development rights from properties where development is limited until buyers can be found.
 - Development on other properties could exceed base FAR limits by purchasing a specified amount of those rights

Recommendation: Use Developer Agreements

- ◆ Utilize Developer Agreements to set forth density bonuses and details of the exchange in order achieve community goals
- ◆ In return, the City would commit to financial assistance or infrastructure.

Recommendation: Use Density Bonuses to Fund Transit

- ◆ Establish one or more methods by which transit could be funded through a density bonus program.
- ◆ Density Bonuses would apply to specific areas within 1000' of a transit stop.

Recommendation: Encourage Transit Use

- ◆ Discourage automobile use and encourage transit use through the density bonus program by:
 - Reducing parking requirements
 - Providing spaces for carpool parking
 - Un-linking parking spaces from residential uses so that parking spaces would have to be leased or purchased separately

Planning Tools: Coordinate with Transit

- ◆ Coordinate transit planning and implementation with Capital Metro to address increased density.
- ◆ Utilize fixed rail transit as a tool to guide density.

Planning Tools: 3-D Modeling

- ◆ Creation and use of a digital 3-D modeling program
 - maintained by the city
 - proposed new developments can be inserted into model for public review.

Planning Tools: Economic Feasibility Model

- ◆ Research an economic feasibility model for a density bonus program that would not deter dense development.

Items for Future Consideration:

- ◆ Review of building heights and massing in relationship to public views, protection of open space, historic preservation, and buffering of neighborhood edges.
- ◆ Create a Comprehensive Parking Plan for the Downtown Core
- ◆ Develop an Urban Open Space Master Plan
- ◆ Consider the use of Systems Development Charges (SDCs) to recover the cost of basic infrastructure services to areas with increased density

