

## **ORDINANCE AMENDMENT REVIEW SHEET**

**Amendment:** C20-2017-005 Regulating Plan for the Plaza Saltillo TOD Station Area Plan

**Description:** Consider an ordinance amending Title 25 of the City Code to add a new TOD-Urban Mixed Use Subdistrict and additional Density Bonus to the Plaza Saltillo regulating plan.

**Proposed Language:** See attached draft ordinance and background information.

### **Summary of proposed code amendment**

- Establish TOD Urban Mixed Use Subdistrict that allows for high density multifamily or mixed use development.
  - Development in the TOD Urban Mixed Use Subdistrict is entitled to the same permitted land uses as the existing TOD Mixed Use Subdistrict.
  - Developments in this Subdistrict are limited to 45 dwelling units per acre.
  - Parcels belonging to Habitat for Humanity at 1409 and 1411 East 4<sup>th</sup> Street are re-zoned from the Live/Work Subdistrict to the TOD Urban Mixed Use Subdistrict.
- Establish Super Density Bonus as an additional tier of the density bonus program.
  - Only parcels in the TOD Urban Mixed Subdistrict are eligible to seek a Super Density Bonus.
  - The Super Density Bonus entitles a development to additional height and density.
    - Permit a height entitlement of 85 feet.
    - Exempts development from the maximum density and FAR standards.
  - The minimum parking requirement is reduced to 5 percent of the off-street parking requirements established in Appendix A of the City's Land Development Code provided that the development include additional amenities and features to mitigate the impact of the reduced parking requirements.
  - Requires residential developments along an active edge to meet residential active edge standards.
  - Development seeking a Super Density Bonus must provide a minimum of 75% on-site affordable housing.
    - A minimum of 10% of total square footage provided at 40% MFI or less; a minimum of 25% of the total square footage shall be provided at 60% MFI or less; a minimum of 40% of the total square footage shall be provided at 80% MFI or less.

- Change the setback standard for streets with a right-of-way of less than 60 feet from 30 feet to 25 feet from the center line of the street. This brings the setback standard in the Regulating Plan in line with the setback standard established in the Fire Code of the City of Austin.

**Background:** Initiated by City Council Resolution 20170817-056

In August 2017, City Council issued a resolution that directed staff to create an additional density bonus program that would allow for dense multi-family development in exchange for the provisions of a significant amount of on-site, family friendly affordable housing. Additionally, the resolution directed staff to consider the inclusion of exemptions from Plaza Saltillo TOD Regulating Plan design standards.

**Staff Recommendation:** Staff recommends the proposed code amendment.

**Board and Commission Actions**

**February 21, 2018:** To be reviewed by the Codes and Ordinances Subcommittee.

**February 27, 2018:** To be reviewed by the Planning Commission.

**Council Action**

**March 8, 2018:** A public hearing has been scheduled.

**Ordinance Number:** NA

**City Staff:** Anne Milne      **Phone:** 974-2868      **Email:** Anne.Milne@austintexas.gov

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AMENDING ORDINANCE NO. 200850519-008 AND THE PLAZA SALTILLO TOD ZONING DISTRICT TO MODIFY THE REGULATING PLAN TO ADD A NEW SUBDISTRICT TYPE AND ADDITIONAL DENSITY BONUS PROGRAM.**

**BE IT ORDANINED BY THE CITY OF AUSTIN:**

**PART 1.** Figure 2-1 (*Plaza Saltillo Subdistrict Map*) of the Plaza Saltillo TOD Regulating Plan, as adopted December 11, 2008 (Exhibit A) is amended to add a TOD Urban Mixed Use Subdistrict.

- A. The properties described in C20-2017-005 on file at the Planning and Zoning Department, locally known as 1409 and 1411 East 4<sup>th</sup> Street are changed from the Live/Work Flex Subdistrict to the TOD Urban Mixed Use Subdistrict.

**PART 2.** Section 2.3 of the Plaza Saltillo TOD Regulating Plan (*Transit-Oriented Development Subdistricts*) is amended (Exhibit B) to include the following:

2.3.7 TOD Urban Mixed Use

A. Typology

TOD Urban Mixed Use allows for high density residential or mixed use development and does not require that ground floor space be designed to accommodate active non-residential uses, although it is encouraged. This Subdistrict is generally located on arterial streets and in close proximity to the transit station, and as such, no minimum density is required. A wide array of retail, office, and residential uses are permitted.

B. Density Standards

Minimum Density: None

Maximum Density: 45 Dwelling Units per acre (unless a development bonus is utilized); maximum Floor Area Ratios (FAR) are established in Subsection 4.2.8.

C. Land Use

Permitted, conditional, and prohibited uses are shown in Figure 2-2.

**PART 3.** Figure 2-2 (*Plaza Saltillo TOD District Land Use Table*), as adopted December 11, 2008 (Exhibit D), and last amended by Ordinance No. 20130425-106, is amended to include the TOD Urban Mixed Use Subdistrict.

**PART 4.** Section 4.2.6.C (*Setbacks*) of the Plaza Saltillo TOD Regulating Plan is amended to read as follows:

- C. If the street right-of-way is less than 60 feet in width, the minimum front yard setback for buildings three or more stories in height shall be ~~30~~ 25 feet from the center line of the street to ensure adequate fire access.

**PART 5.** The Plaza Saltillo TOD Regulating Plan is amended to add Section 4.3.4 *Super Density Bonus*. The applicability and requirements of the Super Density Bonus read as follows:

4.3.4 Super Density Bonus

A. Applicability

Properties or portions of properties, in the TOD Urban Mixed Use Subdistrict are eligible for a bonus.

B. Waiver of Site Development Standards and Building Height Allowance

A density and height bonus shall be granted to a development that meets the affordability standards in Subsection C below, which exempts the development from the following site development standards:

1. Maximum density requirements in Section 2.3.;
2. Maximum Floor-to-Area Ratio (FAR) in Subsection 4.2.8; and
3. Chapter 25-2 Subchapter C, Article 10 of the LDC (Compatibility Standards) shall be waived with the following exceptions:

a. Height Limitations

In the TOD District within 100 feet of the TOD boundary, compatibility standards height limitations triggered by property outside of the TOD District shall be waived if owners of at least 66% of triggering properties within 25 feet of the site requesting the waiver agree. If there are no triggering properties within 25 feet, the height restriction shall be waived.

Building Height Allowance

Any building on the site receiving the bonus may reach a total of no more than 85 feet in height as measured by the LDC.

4. Active edge requirements in Subsection 5.7.2 are waived with the following exceptions:

Commercial or mixed use projects shall follow Subsection 5.7.2.A.

Residential projects shall be designed according to the following standards:

a. The ground floor building façade shall be designed to reinforce pedestrian activity. Each ground floor dwelling unit shall be designed according to the following standards:

An entrance that opens directly onto the sidewalk according to Section 5.3;

Entrances should be highlighted through architectural cues;

Entrances should be raised with stoops or porches to allow for privacy;

The scale and detailing of the windows should reflect the residential use of the building;

Landscaping between the sidewalk and building edge is encouraged

b. Off street parking is not permitted along an active edge.

5. The minimum parking requirements in Subsection 4.5 may be reduced to 5 percent of the off-street parking requirements established in Chapter 25-6, Appendix A provided that a development include the following features or amenities:

Parking spaces shall be leased or sold separately from occupied spaces.

On-street parking spaces located adjacent to the site road conditions permit on-street parallel parking.

The provision of a car-sharing vehicle program that complies with the requirements prescribed by the Director by administrative rule.

The minimum amount of bicycle parking provided shall be 200% of the requirement established in part 4.4.5.

20% of required bike parking to be provided as fully enclosed lockable bicycle parking spaces.

### C. Affordability Standards

To be eligible for the development exemptions and height allowance in Subsection B above, habitable space equal to a minimum of seventy-five percent of the entire square footage of the development shall be reserved as affordable according to the following:

- a. A minimum of 10% of the total square footage shall be provided at 40% Median Family Income (MFI), or less;
- b. A minimum of 25% of the total square footage shall be provided at 60% MFI or less; and
- c. A minimum of 40% of the total square footage shall be provided at 80% MFI, or less.

The requirement may be met by providing affordable owner-occupied units, rental units, or a combination of both.

1. Affordability Requirements for Owner-Occupied Units

The applicant shall be responsible for providing habitable space through a City approved affordable housing land trust for not less than 99 years from the date a certificate of occupancy is issued, for ownership and occupancy by households earning no more than the required percentage of the Annual Median Family Income; or

2. Affordability Requirements for Rental Units

The applicant shall provide habitable space as affordable for a minimum of 40 years following the issuance of the certificate of occupancy, for rental by households earning no more than the required percentage of the Annual Median Family Income.

**PART 6.** This ordinance takes effect on \_\_\_\_\_, 2018.

**PASSED AND APPROVED**

\_\_\_\_\_, 2018

\_\_\_\_\_  
Steve Adler, Mayor

**APPROVED:** \_\_\_\_\_  
City Attorney

**ATTEST:** \_\_\_\_\_  
City Clerk



**RESOLUTION NO. 20170817-056**

**WHEREAS**, the Housing and Neighborhoods Policies of the Imagine Austin Comprehensive Plan call for the City of Austin to “Connect housing to jobs, childcare, schools, retail, and other amenities and services needed on a daily basis, by strategies such as directing housing and employment growth to sites appropriate for Transit-Oriented Development and coordinating and planning for housing near public transportation networks and employment centers to reduce household transportation costs and vehicle miles travelled”; and

**WHEREAS**, the Land Use and Transportation Policies of the Imagine Austin Comprehensive Plan call for the City of Austin to “Promote development in compact centers, communities, or along corridors that are connected by roads and transit, are designed to encourage walking and bicycling, and reduce healthcare, housing, and transportation costs” as well as “direct housing and employment growth to activity centers and corridors, preserving and integrating existing affordable housing where possible”; and

**WHEREAS**, the Austin Strategic Housing Blueprint, approved by Council on April 13, 2017, recognizes that a majority of low- and medium-income earners in Austin are rent burdened, paying more than 30% of their income on housing costs, and many are severely cost burdened, paying over half of their income on housing costs; and

**WHEREAS**, the Austin Strategic Housing Blueprint calls for development of policies to prioritize the preservation and creation of affordable housing near current and future transit service to help the Neighborhood and Community Development (NHCD) Department “reach its goal of 25% of affordable housing units created or preserved within 1/4 mile of a transit stop”; and

**WHEREAS**, the Imagine Austin Comprehensive Plan defines Transit Oriented Development (TOD) as “a mixed-use residential or commercial area designed to maximize access to public transport, increase economic activity, and often incorporates features to encourage transit ridership. A TOD typically has a center with a transit station or stop (train station, metro station, or bus stop), surrounded by relatively high-density development with progressively lower-density development spreading outward from the center”; and

**WHEREAS**, the Ordinance no. 20050519-008 amending the chapters 25-2 and 25-6 of the City Code establishes the Plaza Saltillo TOD District as a neighborhood center TOD District. “A neighborhood center TOD district is located at the commercial center of a neighborhood. The average density is approximately 15 to 25 dwelling units for each acre. Typical building height is one to six stories. Uses include small lot single-family residential use, single-family residential use with an accessory dwelling unit, townhouse residential use, low-rise condominium residential use and multifamily residential use, neighborhood retail and office uses, and mixed-use buildings”; and

**WHEREAS**, the Plaza Saltillo TOD Station Area stretches east from I-35 going through the northern reaches of the East Cesar Chavez Neighborhood as well as the Holly Neighborhood, feeding Austin Independent School District (AISD) schools that are losing student population and are currently designated as being under-enrolled; and

**WHEREAS**, the Regulating Plan for the Plaza Saltillo TOD Station Area was approved by Council on December 11, 2008; and

**WHEREAS**, in their 2016 District Analysis, Housing Works reports that 56% of District 3 residents are cost burdened and 31% are extremely cost burdened; and

**WHEREAS**, the East Cesar Chavez Neighborhood Plan includes the goal to “preserve and increase the number of homeowners in the neighborhood”; and

**WHEREAS**, the Holly Neighborhood Plan includes the goal of “promoting a variety of housing options for a mixture of different incomes”; and

**WHEREAS**, this property falls within the attendance zone of Sanchez Elementary School, a school that AISD has identified as under-enrolled and in danger of closure; and

**WHEREAS**, Habitat for Humanity has recently acquired parcels at 1409 and 1411 East 4th Street within the Plaza Saltillo TOD and proposes a multifamily development with levels of long-term affordability in excess of the current Plaza Saltillo TOD affordable housing goals and density bonus programs, but would require a scale of development which is not currently allowed by the Plaza Saltillo TOD Regulating Plan on the parcels owned by Habitat for Humanity; **NOW, THEREFORE,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

The Council initiates amendments to the Plaza Saltillo TOD Regulating Plan consistent with Code Section 25-2-766.23 (Amendments to Station Area Plan) that would allow for an additional density bonus program applicable to the site of the multi-family development currently proposed by Habitat for Humanity, which could include, but is not limited to, appropriate waivers of the following regulating plan standards:

- I. compatibility standards for height and setbacks;
- II. maximum building height (not to exceed 85 ft.);
- III. maximum parking reduction;
- IV. minimum front yard setback;
- V. maximum density;
- VI. maximum floor-to-area ratio; and
- VII. active edges.

Eligibility for the new density bonus program should be limited to a development that provides a level of long-term affordability substantially in excess of the current goals and density bonus programs of the Plaza Saltillo regulating plan and limited to the site owned by Habitat for Humanity. The development should be family friendly in terms of amenities, design, and unit mix, and the goal should be that a substantial majority of units should include multiple bedrooms.

**BE IT FURTHER RESOLVED:**

The City Manager is directed to process the amendments within 90 days of the adoption of this resolution.

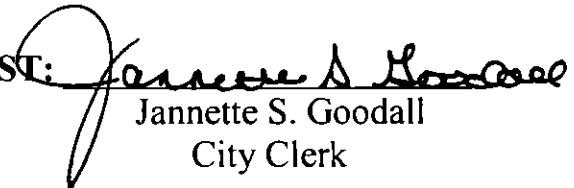
**BE IT FURTHER RESOLVED:**

In conjunction with the CodeNEXT process, the City Manager is directed to evaluate the existing Density Bonus programs in TOD district regulating plans, and make recommendations on the establishment of a new Density Bonus Program category for eligible projects to:

- I. incentivize the construction of on-site affordable housing units;
- II. establish appropriate affordability duration requirements to qualify for the Affordability Density Bonus Program; and
- III. at least meet the following requirements –
  - a.  $\leq 40\%$  MFI = a minimum of 10% of the total units by square footage;
  - b.  $\leq 60\%$  MFI = an additional minimum of 25% of the total units by square footage;
  - c.  $\leq 80\%$  MFI = an additional minimum of 40% of the total units by square footage.

ADOPTED: August 17, 2017

ATTEST:

  
Jannette S. Goodall  
City Clerk