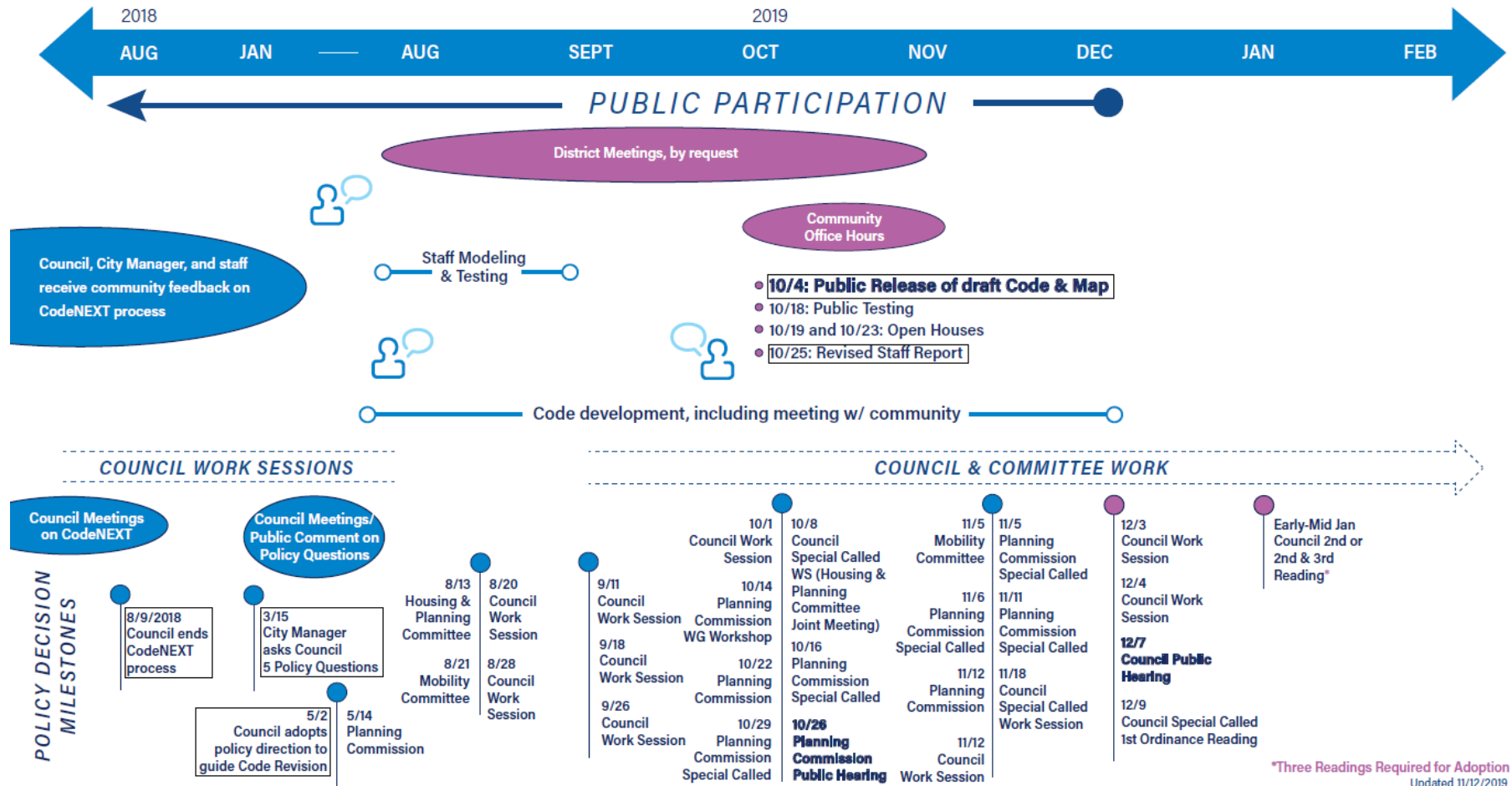

LAND DEVELOPMENT CODE REVISION

AGENDA

- Property Taxes
- Overview of LDC Base Motion Options
- Supplemental Staff Report #2
 - Preservation Incentive
- Housing Capacity

Land Development Code Revision: Proposed Timeline*

*Proposed dates, subject to change based on Council direction & outcome of public process



*Three Readings Required for Adoption
Updated 11/12/2019

PROPERTY TAXES

- Assessment of single-family uses in multi-unit zone
- Assessment of single-family 1:1 replacements

OPTIONS FOR BASE MOTIONS

- At first reading, the base LDC document is the draft Code & Zoning Map published on October 4 and presented at Planning Commission's October 26 public hearing.
- Following are existing recommendations that could be incorporated as 1st reading amendments:
 - Planning Commission Report
 - Supplemental Staff Report No. 2
 - Council-Initiated Amendments

BASE MOTIONS (cont.)

- PC recommended the following:
 - 1) Changes described in PC Report issued November 22
 - 2) Changes described in 1st Supplemental Staff Report:
 - a) Text revisions at pages 3-8, numbered & organized by topic, e.g., “Affordable Housing (AH) – 1,” etc.
 - b) Text & map corrections in hyperlinked spreadsheets
 - c) Appendix A & A-1: Amendments to Imagine Austin
 - d) Appendix B: Off-Premise Signage Amendments

BASE MOTIONS (cont.)

- A motion to approve draft LDC with PC recommendations would include all of the above, unless specifically excluded.
 - For example: *“Move to approve draft LDC, except for PC Motions {insert #s} and 1st Supplemental Recommendations {insert #s}”*
- Separately, a motion could include some or all of the “New Recommendations” described in 2nd Supplemental Staff Report.

2nd SUPPLEMENTAL REPORT

This report has three parts:

- New text & map revisions based on changes proposed in 1st Supplemental Report and additional feedback
- Programmatic measures for successful implementation
- Background on Former Title (F25) Zone

2nd SUPPLEMENTAL REPORT (cont.)

Recommendations for discussion on December 4 include:

- Revised mapping criteria for transition areas and high-opportunity areas
- Proposed reductions in maximum FAR based on ongoing analysis.
- Better account for usable space in FAR calculations

PRESERVATION INCENTIVE

Proposed changes to the Preservation Incentive:

- Require that a portion of the front façade of the preserved unit be retained and that any modifications include the addition of a private frontage, if one does not exist;
- Limit the floor area that can be added when utilizing the preservation incentive, potentially by requiring the bonus unit to count towards maximum FAR and exempting or partially exempting the preserved unit;

PRESERVATION INCENTIVE (cont.)

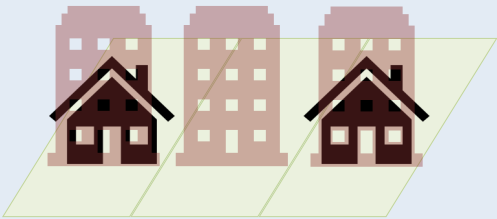


- Clarify the extent to which a preserved structure may be modified, using the requirements applicable to nonconforming structures as a baseline, and include appropriate administrative/enforcement provisions;
- Clarify that a bonus unit added through the preservation incentive may be for any residential use allowed in the base zone, which may result in more than one ADU; and
- Clarify that for a multifamily use that utilizes the preservation incentive, the number of new units that can be added is equal to the number of preserved units plus one additional unit.

CAPACITY

DEFINITIONS

“The City Manager shall provide to Council an analysis of the affordable housing and **housing capacity yield** when presenting the proposed mapping and potential for redevelopment using the Envision Tomorrow tool.”

-Council Direction on LDC Revision, May 2019

Theoretical Entitlements	Feasible Capacity	Yield
<p>Maximum number of units allowed on every lot, regardless of existing uses or market feasibility.</p> 	<p>Accounts for redevelopment potential of lots given zoning and market. Uses conservative estimates of build-out densities based on observed trends. City council set a capacity goal of 405,000 units.</p> 	<p>Actual development resulting from adopted code, observed over time. City council set a yield goal of 135,000 units over 10 years.</p> 

FEASIBLE CAPACITY PROCESS

“The City Manager shall provide to Council an analysis of the affordable housing and housing capacity yield when presenting the proposed mapping and potential for redevelopment using the **Envision Tomorrow** tool.”

-Council Direction on LDC Revision, May 2019

- Step 1: Identify potentially developable vacant and redevelopable developed land
- Step 2: Apply potential build-out density assumptions for base entitlements
- Step 3: Estimate potential bonus capacity
- Step 4: Estimate potential income-restricted capacity within the bonus

LIMITATIONS OF CAPACITY ANALYSIS

- Envision Tomorrow is a sketch planning tool which means it cannot predict the future, only use best available information to make an estimate.
- Intended to show policy impact relative to current entitlements (nearest equivalency)
- Density assumptions based on observed trends research – many factors may influence the product types and densities that result.

WHY SHOULD CAPACITY BE 3X YIELD GOAL?

Why does Austin need 405,000 units of capacity to get 135,000 units built?

HOUSING PREFERENCE		
COST	PRODUCT	LOCATION
Austinites are economically diverse and need a range of housing options that fit their income and lifestyle.	The needs and desires of each Austin household are unique. Depending on family size, stage of life, or personal preference, they may desire detached single-family homes, duplexes, townhomes, or apartments.	Location preference is driven by any number of factors including work location, school location, family location, and personal preference.

WHY SHOULD CAPACITY BE 3X YIELD GOAL?

Why does Austin need 405,000 units of capacity to get 135,000 units built?

SITE-SPECIFIC ATTRIBUTES THAT IMPACT FEASIBILITY

- Deed restrictions
- Presence of heritage trees
- Economic recession and/or housing market slowdown
- Site-specific environmental considerations
- Requirements imposed on developers by financing institutions
- Irregular site shape or size
- Roadway access
- On- and off-site infrastructure upgrade costs
- Property owner willingness to sell or develop

OTHER POTENTIAL CAPACITY IMPACTS NOT INCLUDED IN ANALYSIS

Homeowner Preferences

- ADUs
- Homeowner desire to sell

Policy or Development Changes Since Process Began

- Proposed changes to floodplain
- PUDs recently entitled

OBSTACLES TO REALIZING YIELD GOAL

“Shovel-Ready”



Every day that Austin does not have a revised LDC is a day that these sites are jeopardy of being developed for uses other than housing. **Once they are developed, they are unlikely to redevelop for decades.**

Willing owner? Demolition? On-Site Pollution?



Many of the sites included in the feasible capacity estimate will be challenging to redevelop. Some will take longer to develop, and some may not develop at all over the next 10 years.

QUESTIONS
