Neighborhood Planning & Zoning

RECOMMENDATION FOR COUNCIL ACTION

Subject: Approve third reading of an ordinance amending Title 25 of the City Code to establish use and site development regulations applicable to single-family residential uses, duplexes and other residential uses within certain zoning districts (C2O-06-008.)

For More Information:

Boards and Commission Action: Recommended by Planning Commission.
Amendment Case #: C20-06-008

Description:
Consider an ordinance on 3rd reading amending Section 25-2 of the City Code to establish use and site development regulations applicable to single family residential uses, duplexes, and other residential uses within certain zoning districts.

A draft ordinance is included in the backup for Council’s consideration.

A summary of the Single-Family Regulations Task Force’s recommendations through June 6, 2006 and Council action on June 8 is included in your backup.

The Minority Report submitted on June 8 is also included in your backup.

History & Background:
Citizens across the city have expressed concern about the impact of larger new homes being built in established neighborhoods with aging infrastructure. In response, the City Council has adopted interim development regulations that limit the size of some new single-family residential construction and remodels. Under the interim regulations currently in effect, people wishing to build or add on to a single-family home, duplex, or secondary apartment may still do so. The interim regulations do not prohibit new construction or remodels. The regulations limit the size of new and remodeled structures and establish new minimum front yard setbacks. The interim regulations do not apply to every property within the City of Austin.

The City Council on February 9, 2006 adopted interim regulations on 1st reading that limited the size of some new single-family homes to the greater of
  • 2500 square feet
  • 0.4 floor-to-area ratio (FAR) or
  • 20% more square footage than the home that was previously removed or demolished; or, in the case of additions, 1000 square feet larger than the existing home, if the applicant has been granted a homestead exemption for property tax purposes.

These regulations applied only in subdivisions that were originally platted before the City established drainage regulations on March 7, 1974 and to tracts could be legally developed without being platted. Provisions were also incorporated allowing the Council to grant waivers to the regulations.

On February 14, the Planning Commission considered the issue and voted to recommend the interim development regulations passed by the Council on first reading but to add duplexes to the uses subject to the interim regulations. They also recommended a list of issues for consideration by the related task force that Council was to appoint (this list is included in this backup).

On Feb. 16, the Council approved new interim development regulations on second and third readings. The substantive change to the regulations adopted on February 9 was the addition of duplexes as a use subject to the regulations.

At that time, the Council also appointed a task force to provide for public participation, gather more public input, and study the issue. The Council requested that the Task Force formulate recommendations so that ‘permanent-interim’ regulations could be adopted in early March and a Code amendment at a later date after additional review. The task force is comprised of citizens representing neighborhoods and the building industry.

On March 9, the Council adopted a new set of interim development regulations to replace the regulations adopted on February 16 per the Task Force’s recommendations.
ORDINANCE AMENDMENT REVIEW SHEET

The ordinance adopted by Council on March 9 included the same size limitations that the Council had previously adopted, the greater of:

- 2500 square feet
- 0.4 floor-to-area ratio (FAR) or
- 20% more square footage than the home that was previously removed or demolished; or, in the case of additions, 1000 square feet larger than the existing home, if the applicant has been granted a homestead exemption for property tax purposes.

The scope of the size limitations was expanded to apply to the combined square footage of a principal single-family structure and any two-family or secondary apartment use. The March 9 ordinance also limited the total square footage of any single-family attached residential structure. Single-family structures and the combined square footage of both units within a duplex continued to be subject to the size limitations.

The March 9 regulations also applied to vacant lots on which structures never existed (such lots were not previously subject to the interim regulations).

The other substantial changes adopted through the March 9 ordinance included:

- The exclusion of basements in square footage calculations if the finished floor of the first story is not more than three feet above the average elevation at the intersection of the minimum front setback line and the side property lines.
- The inclusion of second and third story covered porches in square footage calculations.
- New minimum front yard setbacks that essentially peg the required minimum setback to the average of the existing setbacks on a blockface.

The ability to apply for a Council-approved variance was still included though slightly amended. The regulations adopted on March 9 expire on June 23, 2006.

The Task Force and their various working groups have continued to meet on a regular basis. The Task Force schedules time for citizen comment at the beginning of their weekly meetings. Task Force members and City staff have also attended community meetings throughout the process. A City website about the issue (http://www.ci.austin.tx.us/zoning/sf_regs.htm) and email mailing lists have been created to inform the public of the Task Force's work and any other significant information. An online electronic bulletin board (http://residentialregs.org) has also been set up so that the Task Force may receive and provide comment to interested citizens.

Prior Planning Commission Actions:

February 14: The Planning Commission (PC) voted to recommend the interim development regulations passed by the Council on February 9 on first reading but to add duplexes to the uses subject to the interim regulations. They also forwarded a list of issues for consideration by the Task Force.

February 28: The Planning Commission voted to recommend the interim development regulations as recommended by the Task Force but to exclude duplexes as uses subject to the regulations. The PC suggested further study of size limitations on duplexes to the Task Force.

May 16: A public hearing was held and a motion was approved to close the public hearing (motion made by Commissioner Jay Reddy, seconded by Vice-Chair Dave Sullivan; passed 7-0 with Commissioners Gary Stegeman and Keith Jackson absent). Reddy moved to postpone the item to May 23 and forward a list of concerns about the Task Force's proposal to the Task Force for consideration. The motion was seconded by Chair Chris Riley. The motion passed 7-0 (Stegeman and Jackson absent). The list of concerns is attached in the backup.

May 23: The Planning Commission voted to postpone action on the issue until June 6. The Commission voted to re-open the public hearing and take public comment at the June 6 meeting.

June 6: The Planning Commission continued their public hearing. They approved a motion to forward a list of recommendations to the Council and request that the Council provide the Task Force more time to finalize their recommendations. That list is included in the backup. (Vote 6-2: Riley, Sullivan, Cavazos, Galindo, Jackson, Stegeman in support; Dealey and Moore opposed) (Reddy absent).
ORDINANCE AMENDMENT REVIEW SHEET

Prior Codes and Ordinances Committee Action:

Prior City Council Actions:
February 9, 16, and March 9: The Council adopted size limitations for single-family structures and other residential uses per the details listed in the 'History & Background' section above.

May 25: The Council voted to postpone consideration of this issue until June 8.

June 8: The Council held and closed the public hearing. First and second readings as amended below were approved on Council Member Brewster McCracken’s motion, Council Member Lee Leffingwell’s second on a 7-0 vote. The amendments were:

- To make the effective date October 1
- Have the duplex definition read “Two units must share a common wall or roof assembly for at least 50% of the maximum depth and height of the building; the two units may not be separated by a breezeway, carport, or other open element but may be separated by a garage common wall.”
- To exempt the Mueller development from the ordinance
- To remove the creation of a Residential Design Commission.

The below Items were also approved on June 8 but do not modify the ordinance adopted:
- Direct staff to create a new zoning district for larger duplexes
- Direct staff to work with Clarion Associates to draft the ordinance into graphical format
- In the event that the State Legislature mandates a change to the ordinance that Council approves, direct staff to prepare language for Council consideration that would, prohibit duplexes and dorm-houses in single-family zoning districts
- Replace the front yard setback averaging system in the March 9 interim regulations with the Task Force’s proposed front yard setback regulations

City Council Date: 3rd reading scheduled for June 22, 2006

City Staff: Tina Bui, NPZD
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Single-Family Regulations Task Force Recommendations with amendments approved by Council on June 9

SITE DEVELOPMENT STANDARDS

APPLICABILITY & BOUNDARIES
Within prescribed boundaries (see larger map at end), applies to all properties used for
- Single-family residential use
- Small-lot single-family residential use
- SF-attached residential use
- Duplex residential use
- Two-family residential use
- Secondary apartment special use (n'hood planning tool)
- Urban home special use (n'hood planning tool)
- Cottage lot special use (n'hood planning tool)
- Bed and breakfast (group 1) residential use

The Mueller redevelopment is exempt from these regulations. [Adopted by Council on 1st and 2nd readings on June 8.]

FLOOR-TO-AREA RATIO (FAR)
Max. of greater of
- 0.4 FAR or
- 2300 sq ft

Applies to combined square footage if more than one dwelling unit on a site.

In calculating FAR,
- Exclude attics, as per current definition in Code, or habitable attic space with the following qualifications:
  - Must be fully contained within the roof structure.
  - Must be no more than one floor and be the highest occupied level.
  - Must not exceed the footprint of the floors below.
  - 50% of space must have ceiling height no greater than 7'
  - Area below mansard or flat roof structure, or below a roof with a less than 3 to 12 slope does not qualify.
- Exclude basements if the finished floor of the first story is not more than three feet above the average elevation at the intersection of the minimum front setback line and the side property lines (same as under interim ordinance) and if the space does not extend beyond the footprint of the structure.
- Exclude ground floor porches (same as under interim ordinance), including ground floor screened-in porches
- For parking,
  - Per site, exclude up to 450 sq ft of
    - Detached, rear covered parking if separated by 10 feet from and to the rear of the principle structure or
    - Parking area that is open on two sides (i.e. carport), if it does not have habitable living space above it AND, applicants can also
  - Also per site, exclude up to 200 sq ft of
    - Attached parking area. The 200 sq ft credit is only available if used to meet min. parking requirements.
- Include 2nd and 3rd-level covered porches (same as under interim ordinance)
- Include mezzanines and lofts
- Areas with ceiling heights greater than 15 feet are counted twice
- All other structures and square footage not specifically mentioned above are cumulatively included.

SETBACK PLANE/BUILDING ENVELOPE
Created by measuring 15' high at side & rear property lines and then extending inwards at 45 degrees. Base of setback plane is the same as that used for height calculation, oriented horizontally. All structures on site must fit within building envelope.
Single-Family Regulations Task Force Recommendations with amendments approved by Council on June 9

To create the building envelope on sloped lots, 40-foot segments will be used, starting from the front building setback line where it intersects the side property lines. Measure the height of the envelope from the highest of any of the four intersections of the envelope at the side property lines. This height is then established for 40-foot deep segments. To create the next 40-foot segment, the height of the envelope is measured utilizing the highest elevation of any of the four corners of the envelope.

Exception into setback plane for remodels: 10' above existing 1st story floor plate height is allowed for a 2nd story addition. If 2nd story floor plate height falls outside setback plane, then the 45 degree angle extends from the 2nd story plate height to the interior of the lot. Maximum height limit remains in effect.

Protrusions allowed into envelope
- Chimneys
- Either
  - Side gabled roof structures up to 30 feet in length, measured from the front of the house or
  - Gables or shed roofs provided that the horizontal length of all features shall not exceed a combined total of 18 linear feet on each side measured along the intersection with the building envelope; and Dormers provided that the horizontal length of all features does not exceed a combined total of 15 linear feet on each side, measured along the intersection with the building envelope.
- Roof overhangs and eaves may extend up to 2' into the building envelope.

Height limit exceptions through the building envelope are limited only to chimneys, vents, antennas, passive and active energy conservation and production devices, features, fixtures and appurtenances such as solar collectors and solar water heaters and are allowed to extend as per Section 25-2-531. Height limit exceptions cannot be space that can be used or converted into occupied living space.

WALL ARTICULATION
If a building has a side wall that is an average of 15 feet or less from the side interior property line and more than 15 feet high, the side wall may not extend in an unbroken plane for more than 32 feet, measured along the side lot line. To break the plane, a perpendicular wall articulation of not less than four feet for a distance along the side property line of not less than 10 feet is required.

MAXIMUM HEIGHT
Change max. height to 32 feet
(Max. height allowed today is 35 ft for SF structures; and 30 ft for secondary apartments, two-family residential structures, and duplexes.)

FRONT YARD SETBACK
The minimum front setback is the lesser of the setback prescribed by Section 25-2-492 (25 feet in SF-2 and SF-3; 15 feet in SF-4A) or the average of the setback of as many homes, up to 4, closest to the subject lot on the same side of the block. In the case where there are no adjacent houses are within 50 feet of the front lot line of the lots on that side of the block, then the 4 homes across the street that are the closest will be used to establish the setback average.

REAR YARD SETBACK
Retain 10 ft setback but, pending review by City utilities, decrease 10 ft setback to 5 ft only for accessory buildings and secondary dwelling units of two-family residential uses if lot backs up to an alley.

IMPERVIOUS COVER
Retain max. as that required under base zoning district. However, the Task Force strongly recommends funding an education program to incorporate the use of the mitigation measures and equivalency table as recommended by the Impervious Cover/Drainage Working Group into, for example, the City's Green Building Program.
NEIGHBORHOOD CUSTOMIZATION

Neighborhoods may recommend customization of the following regulations that are being installed for SF residential development. The adjustments should take into consideration the character and common scale and massing patterns within their area as well as the evolving nature of their neighborhood.

N'hoods may submit n'hood-specific recommendations to increase or decrease
- FAR, as well as the square footage allowance. In adjusting a FAR limit, neighborhoods will consider a FAR limit that would include 95% of existing housing stock in the area.
- Maximum linear feet of gables protruding from the setback plane
- Maximum linear feet of dormers protruding from the setback plane
- Height of the setback plane at the side and rear property lines.
- For the minimum front yard setback, n'hoods may impose a minimum greater than the base district minimum. This minimum must be based on the front yard setbacks of nearby properties and arrived upon in a manner similar to the current interim ordinance adopted March 9.

Each Neighborhood Plan (NP) area that has been defined by the City will have the opportunity to make customization recommendations. Separate recommendations may be made for individual subdistricts within an NP area. Notice will be made to all property owners in the NP area that the process is beginning.

If there is an NP Team in place for the NP area, the development and approval of a recommendation will follow the NP Amendment process. Accordingly, the recommendation will be considered by the Planning Commission, and reviewed and approved by the Council.

A process for customization where there is no NP Team in place is currently under study. The Front Yard Parking Ordinance which allows input from non-NP areas provides a precedent and model to work from that is based upon input from Neighborhood Associations registered with the City's Public Information Office.

The process must address:
- Collaboration among all registered neighborhood associations within the boundaries of the NP area.
- Documentation/certification of the notification, discussion and voting processes used to develop the recommendation, adherence to neighborhood association bylaws.
- Annual time periods for submission of applications.

DESIGN REVIEW PROCESS [On June 8, the Council removed the creation of a Residential Design Review Commission]

The SF Design Review Body
The body would be made up of design professionals who have knowledge of massing and scale problems in Austin neighborhoods.

The Process
The Task Force recommends that this process must be simpler than the Board of Adjustment variance process. The process would be similar, technically, to the current allowance for waivers to Compatibility Standards (25-2-1081), heard by the SF Design Review body. The decision may be appealed by affected parties to Council.

This process does not preclude the Board of Adjustments (BoA) from hearing an application to exceed the same regulations based on hardship and other BoA criteria.

Notification of the application for a waiver will be sent to:
- Neighbors who are immediately adjacent to the property
- Applicable Neighborhood Plan Team if it exists
- Associations registered with boundaries containing the subject property.
Signage will be placed on the property following the same process that is used for BoA hearings.

**What Can Be Waived and By How Much**

Under the design review process, applicants could be granted an increase of up to 25% for any of the following:

- FAR or square footage limit
- Maximum linear feet of gables protruding from the setback plane
- Maximum linear feet of dormers protruding from the setback plane
- Articulation requirements for walls greater than a given length: length of wall, length of perpendicular inset component, length of parallel inset component (e.g., as currently recommended by the Task Force, these are 32 ft, 4 ft, and 10 ft respectively)
- Height of the setback plane at the side property line
- Height of the setback plane at the rear property line

**Criteria for Granting a Waiver**

A waiver may be granted for new construction, a remodel or an addition when the structure is compatible in scale and bulk with existing structures in the vicinity of the project. As part of the consideration for a waiver, the following criteria will be considered:

- Consistency with the streetscape of the properties in the vicinity of the project
- On each side and at the rear of the project, consistency with the massing, scale and proximity of the adjacent building (e.g., if on one side of the property there is a super-sized residence creating a billboard effect and looming over the subject property, then on that side, waivers that may lead to similar impacts should be considered)
- If entire block is being developed so scale not already established and no negative impacts to adjacent properties
- Impact on privacy of adjacent rear yards
- 1st story element on the front of the building
- [Add more specific design elements here]
- Adherence to adopted Neighborhood Design Guidelines if they exist
- A recommendation from the Neighborhood Planning Team if available

**Protection of Historic Assets**

No waiver may be granted for an addition or remodel:

- If the property is located in a Local, State, or National Historic District and is a "contributing" structure to that district, and the waiver would render the structure non-contributing to the District
- If the property is a Local, State, or National Historic Landmark and the waiver would negatively impact the structure's architectural integrity upon which the Landmark status was granted
- If the property is listed as a Priority 1 or 2 on the City's most current survey of Historic Assets, and the waiver would lower the architectural integrity upon which the priority ranking was based.

In any of the above cases, the applicant will provide supporting documentation to show that the historic nature of the property is protected as described for each case. Supporting documentation will consist of a statement by a professional historic preservationist or the relevant jurisdictional Commission.

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**IMPLEMENTATION PLAN**

Recommend to Council that the regulations be adopted but with the following implementation plan critical to protecting all stakeholders' interests:

1. The interim development rules should be extended until the Effective Date of the ordinance, which we believe is best established as 4-6 weeks from the date of approval. **The Task Force recommends August 15 as the effective date.** Council adopted on 1st and 2nd readings an effective date of October 1, 2006.

2. Council should direct key departments in charge of residential building permits, building inspection, and
enforcement to present implementation plans to City Council, which will demonstrate that increased staffing, training and process changes required to smoothly implement this ordinance are in place and ready to serve the public as of the Effective Date.

3. These implementation plans should be reviewed by Council prior to the Effective Date, and if they are found to be deficient, the Effective Date should be postponed until proper implementation is assured, and the interim development rules continue to hold until that revised date.

4. This Task Force intends to request follow-up reports from various stakeholder associations, city departments, boards and agencies, each according to their areas of expertise, assessing the actual impacts of this ordinance and associated procedures that occur in the first months of implementation.

5. This Task Force should reconvene 6 months after the Effective Date of the Ordinance, to review the follow-up reports referenced above. If indicated, the Task Force will make recommendations to the City Council on modifications to the Ordinance or related procedures, that maintain the spirit of the current consensus recommendations but adjust details to better serve stakeholders and the general public's interests.

AFFORDABLE HOUSING, Streamlined process for plan review
Recommend that the Task Force's report speak to the intent of promoting affordable housing and have WPDR staff work with NHCD to make sure there is a streamlined process for affordable housing structures.

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INTERPRETATION/ENFORCEMENT ISSUES

DUPLEX, definition of
The two units of a duplex must share a common wall or roof assembly for at least 50% of the maximum depth and height of the building. The two units of a duplex may not be separated by a breezeway, carport, or other open building element, but may be separated by a garage common wall. [Adopted by Council on 1st and 2nd readings on June 8.]

HEIGHT, measurement and definition of
The Task Force has recommended changes that would measure height from natural or finished grade, whichever is more restrictive. The Task Force also recommends related changes defining natural grade.

DEMOLITION PERMIT REQUIREMENTS
Building permit section in the Code to be revised to state that a building permit does not permit demolition of all or any part of a building. The same notice will be placed on building permit application forms.

NONCOMPLYING STRUCTURES
Generally, the Task Force recommends changes to the Code to prohibit noncompliant structures from introducing new noncompliance with regulations where the structure was once previously compliant. The Task Force recommends adding language to the Code to clarify that when a person, under certain criteria, is allowed to increase the height of a building that is already noncomplying with its height regulations, the portion of the building with the height increase must be compliant with any yard setback requirements. Similarly, the Task Force recommends adding language to the Code to clarify that when a person, under certain criteria, is allowed to encroach into a setback that is noncomplying, the modified portion of the building must be compliant with any height regulations. The Task Force also recommends that the Code specifically identify when restorations to a damaged or destroyed noncomplying structure can occur. They also recommend specifying the amount of restoration that can occur by limiting the restored structure to the volume, floor-to-area ratio, and footprint of the original structure; and limiting the reconstruction of the noncomplying elements to the same dimensions and location that existed prior to the damage or destruction.

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COUNCIL DIRECTION on JUNE 8

The below items were approved by Council on June 8 but are not modifications to the ordinance adopted:

- Direct staff to create a new zoning district for larger duplexes
- Direct staff to work with Clarion Associates to draft the ordinance into graphical format
- In the event that the State Legislature mandates a change to the ordinance that Council approves, direct staff to prepare language for Council consideration that would, prohibit duplexes and dorm-houses in single-family zoning districts
- Replace the front yard setback averaging system in the March 9 interim regulations with the Task Force's proposed front yard setback regulations
BOUNDARIES
The Mueller redevelopment is exempt from these regulations. [Adopted by Council on 1st and 2nd readings on June 8.]
The setback envelope is 15 feet high at the property lines, then rises at a 45 degree angle.

It's the same at the rear property line... Side and rear setbacks remain the same, and front setbacks will typically be 25'.

Images copyright, 2006, 'some assembly required.
If you want a little more ceiling height, you can move the house in a bit. For every additional inch of setback, an inch of height is gained.
On a sloping site, the setback planes articulate at 40' intervals to accommodate the slope.
Images copyright, 2006, "some assembly required"

To alleviate the "Billboard Effect" walls 15' high or above, within 15' of the property line must have a perpendicular articulation.
WE SUPPORT AN ORDINANCE TO REASONABLY LIMIT INFILL CONSTRUCTION

WE DISSENT FROM THE TASK FORCE RECOMMENDED ORDINANCE ONLY AS TO THE SUBSTANCE OF THE RESIDENTIAL DESIGN COMMISSION AND WE RECOMMEND MINOR ADJUSTMENT OF TWO NEW DEVELOPMENT REGULATIONS. FINALLY, WE SUGGEST A SINGLE CHANGE TO THE INTERIM ORDINANCE TO ALLOW IT TO CONTINUE RATHER THAN RUSH APPROVAL OF THE ORDINANCE BEFORE COMPLETION OF THE TASK FORCE WORK AND ITS IMPORTANT REVIEW BY CITY STAFF AND THE PUBLIC.

A Minority Report from the McManslon Task Force

Submitted by Michael N. Casias, Task Force Member
Joined by David Arscott, Task Force Co-Chair
Joined by Clint Small, Task Force Member
Joined by Silver Garza, Task Force Member

Council has granted the Task Force an extreme amount of deference despite specific concerns from other public bodies and private citizens to the published Task Force recommendations. The members joining this report have attended most if not all briefings to the body, participated tirelessly at Task Force meetings usually twice a week, sometimes three, and have raised all the issues presented in this report in multiple public forums. The members joining this Minority Report include one former Neighborhood Association/Planning Team president, two former Board Commissioners, including the Zoning and Platting Commission, Planning Commission, and Gentrification Task Force, one legislative aide, one president of a Community Housing Development Organization (CHDO), four builders/developers, including at least one certified affordable housing builder, and all citizens of this great City. We hope you listen.

The McManslon Task Force Ordinance recommendations contain important initiatives and code changes aimed at solving the problem of bulk and scale incompatibility of new construction with existing structures; all of the Task Force members joining in this report have worked in concert with all Task Force members to reach a solution that balances our collective desire to preserve the character of older neighborhoods while balancing the needs and reasonable expectations of residents, property owners, and the general public welfare, but without exacerbating pressure on our stormwater system.

We join in support of all but one of the major concepts in the Majority recommendations (14 pages as of this writing) and we recommend a more measured introduction of two of the major new concepts to the residential Code. We suggest a slightly less restrictive approach in light of the multiple changes introduced within an extremely tight study and analysis period; review from other commissions and departments, though incomplete; our ability to adjust in six months, and the ease of tightening our measured recommendation in six months versus the difficulty of trying to determine the specific cause if this ordinance has multiple unintended consequences.

This report contains three suggested changes to the new ordinance which easily can be incorporated in the current draft (also a suggested change to the interim ordinance); an explanation of how this recommendation evolved and how it varies from the ordinance before the Council; and finally reasons why this recommendation works and is the best course for the City at this stage.

Proposed Changes to the Ordinance Draft 6/8/2006 12:09 PM

1. Do not create a Residential Design Commission as proposed (Sections 2-1-631, 632, 633, 634. Subsection 25-2-568 (L), and Part 7).
2. Modify the maximum floor-to-area ratio from .4 to .6 (Subsection 25-2-566(j)).
3. Modify the building envelope height from 15 feet to 17 feet directly above the side and rear property lines (Subsection 25-2-566 (K)(1) and (3)).

Proposed Change to the Interim Ordinance

1. Replace Part 5. Setbacks with Subsection 25-2-566(h) of the proposed ordinance draft 8/8/2006 12:09 PM.

How this Report evolved from the Majority policy recommendations (Adopted on May 12, 2006. Motion made by Michael Casias, 2nd by Chris Allen, passed on a vote of 13-1, 2 abstain)

1. LOSS OF EFFICIENT DESIGN REVIEW PROCESS IS LOSS OF MAJOR ELEMENT OF THE MAJORITY RECOMMENDATION OF MAY 12, 2006. On May 12, 2006, the Task Force passed a comprehensive policy recommendation that included new building envelope, FAR, and height restrictions but called for a streamlined, non-political design commission solely made up of design professionals to approve variances of up to 25% from those restrictions. Almost every member of the Task Force compromised to achieve this balance. However, the final ordinance language, adopted by the Task Force on June 6, 2006, relating to the Design Review Commission (one of the few actual ordinance provisions the Task Force had a chance to review and vote on before
today), fails far short of the intent of the comprehensive recommendation. The effect of the approved ordinance is a Council-appointed commission, similar to the Board of Adjustment or Planning Commission, whose members may include any citizen and who MUST consider criteria such as impact on neighbors’ privacy, recommendations of the neighborhood plan team, and compliance with neighborhood design guidelines—concepts subject to many different interpretations even within like-minded groups. Even with revision, this commission most likely result in another costly and time-consuming obstacle for applicants, not a predictable and administrative 25% increase for those projects that meet the intent of the ordinance. This change to the recommendation, which everyone has indicated was tenuous at best, significantly altered our comfort with the more restrictive concessions made, including .4 FAR, a more restrictive definition of FAR, and 16" building envelope.

2. BROAD REVIEW OF THE MAY 12 TASK FORCE RECOMMENDATIONS CONSISTENTLY POINTED OUT CONCERNS ABOUT THE DESIGN REVIEW PROCESS, FAR, SETBACK PLANE, AND AFFORDABILITY. The May 12 policy recommendations were the result of hard negotiation and compromise between a group of builders and neighborhood preservation advocates. Although the Task Force at that time had received little input from urban planners, City departments, economists, or other experts, approving a comprehensive framework was the opportunity to finally start obtaining feedback from departments, commissions, and other stakeholders to our unstated proposal. Although most departments have not submitted written feedback to date, we have been fortunate enough to have heard from the Design Commission, Planning Commission, Neighborhood Housing, City permit reviewers, and Legal. This written feedback significantly altered our view of the May 12 recommendation. Consistent with the recommendations from this broader expertise, we still agree with the majority to revise the Code, but we choose a slightly less restrictive starting point than before as the reasonable way to adopt a cluster of new regulations.

3. SHORT STUDY PERIOD RESULTING IN MAJOR LONG-TERM CHANGES IS A DANGEROUS COMBINATION. Finally, because the Task Force itself, let alone all other stakeholders, has had only two weeks to review constantly changing ordinance, our fears of a repeat of the interim ordinance adoption are inescapable without more Council review. For instance, at the time of the interim ordinance adoption, the Task Force had two weeks to make major policy recommendations, but with little or no review of the final ordinance itself. In one instance, the Task Force did not have the opportunity to review the two-page “front setback” language before Council adoption. That alone has ended up, by anyone’s account, a nightmare for all parties and clearly not the intent of the Task Force. Today, the Task Force has yet to vote on most of the actual ordinance language; most City departments have not provided written reports concerning implementation; and none of the public has seen the 8/6/06 language until today. Under these circumstances, shouldn’t we be a bit more cautious?

Among those joining this Minority Report are the makers and supporters of the May 12 majority recommendation. As Task Force members, we have worked to bring the larger development and building community to the table in support of most of the Task Force recommendations. We hope we have explained why we now favor a slightly more gradual transition to a completely new manner of regulating single-family lots in Austin aimed at curtailing extremely bulky and truly out-of-scale structures, with plenty of opportunity for adjusting in six months.

Why the Minority Recommendation Works

1. THIS RECOMMENDATION SUPPORTS THE INTRODUCTION OF BUILDING ENVELOPE AND FAR CONCEPTS TO THE RESIDENTIAL CODE, SIGNIFICANT CHANGES THAT WILL ADDRESS BULK AND SCALE EVEN AT THE MORE RELAXED STARTING POINT. IT SIGNIFICANTLY HINDERS THE CONSTRUCTION OF McMANSIONS AND MCDORMITORIES!

2. WE HAVE SIX MONTHS TO OBTAIN DATA CONFIRMING THAT THESE RECOMMENDATIONS STOP THE MOST EGREGIOUS EXAMPLES AND CAN ADJUST IF NECESSARY

3. A PREDICTABLE VARIANCE PROCESS IS ALREADY IN PLACE. IT AVOIDS CREATION OF ANOTHER COMMISSION THAT CAN SERVE AS AN OBSTACLE TO APPLICANTS TRYING TO FOLLOW THE NEW REGULATIONS.

4. THE RISK OF SIGNIFICANT ECONOMIC LOSS AND DISRUPTION TO OUR URBAN CORE, REDUCED DEVELOPMENT TO LESSER REGULATED OUTER REGIONS, AND LONG-TERM IMPACT ON AFFORDABILITY OF OUR URBAN NEIGHBORHOODS IS FAR GREATER THAN THE RISK OF MISSING A SMALL PERCENTAGE OF HOMES THAT FALL BETWEEN THE MAJORITY AND MINORITY RECOMMENDATIONS.

6. THE MAJORITY RECOMMENDATION GOES FURTHER THAN THE MORATORIUM, THE INTERIM ORDINANCE, THE DUPLEX ORDINANCE, AND ANY OTHER PRIOR REGULATION OF SINGLE-FAMILY ZONING. THE MINORITY RECOMMENDATION ALSO GOES FAR, BUT ATTEMPTS TO MODERATE THE INTRODUCTION OF BUILDING ENVELOPE, LOWER HEIGHT, AND FAR TO ALLOW TIME FOR STUDY OF THEIR INTERACTION AND EFFECTS.

8. IT WILL BE MUCH EASIER TO TIGHTEN THE REGULATIONS IF THEY ARE FOUND TO BE LACKING THAN IT WILL BE TO RELAX THE RIGHT ELEMENT OR ELEMENTS IF THE ORDINANCE TURNS OUT TO GO TOO FAR.
Date: June 7, 2006
To: Mayor Will Wynn and City Council Members
From: Paul Hilgers, Director
Neighborhood Housing and Community Development
Subject: Affordability Impact Statement - Residential Design Commission Ordinance

This Affordability Impact Statement is for the June 2, 2006 draft of the proposed ordinance that would create the Residential Design Commission and modify residential design standards in certain neighborhood planning areas. This statement also includes the June 6, 2006 recommendations from the Task Force and from Planning Commission and replaces all previous assessments.

The primary affordability impact identified by NHCD staff is the potential cost of demonstrating compliance with the new regulations for single-family residences. The Task Force has discussed the importance of establishing an implementation strategy that takes into account the cost of demonstrating compliance with the ordinance. NHCD supports this concept and looks forward to continuing to be engaged in implementation discussions.

However, the proposed draft ordinance should have minimal impact to housing affordability with the following considerations:

1. Allowing for an alternate method of demonstrating compliance for all housing that is 32 feet in height or less and 2300 square feet of gross floor area or less. This would include expedited review for S.M.A.R.T. Housing™ developments.

2. As long as the proposed ordinance applies the new single-family standards only to the Urban Core neighborhoods approved at the June 2nd Task Force Meeting.

These suggestions are discussed in greater detail below.

1. Alternate Method of Compliance

If the ordinance can be implemented in a way that allows builders of smaller homes to spend approximately the same amount of money for plan preparation as they are currently spending, then the proposed ordinance will not have a significant impact on housing affordability.

NHCD recommends implementing building permit submittal requirements that do not significantly increase the cost of preparing and submitting plans. We recommend an alternate method of demonstrating compliance for all housing that is 32 feet in height or
less and 2300 square feet of gross floor area or less. This would include an implementation strategy for building permits, inspections and continuing the expedited review for S.M.A.R.T. Housing™ developments. NHCD staff will work with WPDR staff on this process.

2. Limit Ordinance to the Urban Core

The proposed ordinance is more applicable to infill development that may occur in existing, older neighborhoods. The majority of S.M.A.R.T. Housing™ subdivisions are located in newly annexed areas. These new subdivisions are usually adjacent to SF-2 zoned property which is commonly assigned to newly annexed areas. If the ordinance is expanded outside the Urban Core, these subdivisions would be impacted unnecessarily. The single-family subdivisions in these areas are actually creating new neighborhoods and not infiltrating older established areas. I am attaching a map that provides a context for our assessment.

3. Setback Averaging

The June 2nd Task Force recommended a code amendment for setback averaging that will increase the flexibility in how averaging is determined. We support the adoption of the Task Force recommendations.

This is our latest assessment based on recommendations currently available. Further Task Force actions may require further refinements of our Affordability Impact Statement.

In summary, the proposed ordinance creating the Residential Design Commission and modifying residential design standards could be implemented with minimal impact on housing affordability with the above considerations.

Please contact Paul Hillgers at 974-3108 if you need additional information.

cc: Laura Huffman, CMO
    Chief Michael McDonald, CMO
    Victoria Huu, WPDR
    Greg Guernsey, NPZD
    Kelly Weiss, AHFC
    Gina Copic, NHCD
    Tina Bui, NPZD
Task Force presentation from June 8, 2006
Residential Regulations Task Force

- Public Input
- Review of Austin Projects and Associated Development Parameters
- Bus Tour
- Data Acquisition
- Survey of Approaches Used in Other Cities
- Architectural Modelling

City of Austin Total Population

- 1980
- 1990
- 2000
- 2010
- 2020
13 of 14 Task Force Members present supported recommendation for massing & scale development regulations (two absent members supported also)

- Occupancy "Steel Dams"
- Funding Local Historic Districts
- Enforcement, Interpretation, & Process Issues:
  - Noncomplying Structures
  - Demolition Permits
  - Height Limits in Zoned and Fast Track
  - Filing Fees
  - Permitting and Compliance
  - Building Definitions
  - Allow NP access to Opt into regulations
  - Notification process
  - NP Tools to address fencing and primary access of dwelling units.
May 30, 2006

RE: Duplexes under Single-Family Development Regulations

City of Austin Planning Commission
Attn: Planning Commission Liaison
PO Box 1088
Austin, TX 78767

Dear Commissioners:

In response to your comments at your May 16, 2006 meeting, the Residential Regulations Task Force wishes to share with you our reasoning on why we believe the same FAR, Height and Setback controls should apply to both single-family homes and duplexes. At our May 19 meeting, we voted to send you this letter outlining our thoughts.

Since we developed the FAR/Height/Setback rules to our consensus position of what is required for minimal compatibility in bulk and scale between new structures and their existing neighbors, and since we call for a new mechanism (design review) for structures that are demonstrably compatible but don't comply with the new rules, the real question before us is this:

"Should Austin allow duplexes that are incompatible in bulk and scale to be built in the central city, in order to provide more density (and perhaps more affordable dwelling units) in these areas?"

It is an important question to ask and one we discussed at length internally, but our consensus answer, after exhaustive investigation and stakeholder input, is "No."

Our data sources for the points we make below include input from citizens directly to the Task Force by testimony before us and an online Stakeholder message board, numerous neighborhood and building industry workshops, independent Task Force research, and information developed at our request by Ryan Robinson, the City's Demographer. Mr. Robinson's data, though admittedly imprecise, is the best source we have for single-family and duplex inventory and trends in the central city. We conclude as follows:

1. Duplexes have been a feature of central Austin for a long time. What is new is a new product in which the two units are very large, up to 2,000 square feet each or greater. We judged these large duplex units as being frequently out of scale with their neighbors. We also saw that these large duplex units present difficult code enforcement issues, so that they are frequently indistinguishable from 2 houses on a single lot, which is not the intent of the land development code or the expectation of single-family neighbors.
2. We are not outlawing duplexes— we are making it difficult to build very large duplexes on small lots. Based on Mr. Robinson’s data, we believe that more than 3/4 of the duplex projects that were built in the last 3 years could probably have been built with the new controls with minimal modification, and many more could have been economically built with manageable design modifications.

We noted Commissioner Sullivan’s suggestion that FAR’s might be set so that 95% of the houses in a neighborhood are under the new FAR limit. Presumably this is a check to assure that the controls are compatible with the vast majority of structures in an existing inventory. It is interesting to note that our FAR of 0.4 (with our current definitions of floor area) now far exceeds that standard for duplex units in the central city as a whole. (It also exceeds the standard for single-family structures in the central city as a whole.)

3. Even though the complaints we heard about large duplexes were prominent and wide-spread, the absolute numbers of these large duplex units appear to be very small. Mr. Robinson’s numbers suggest that large duplex units comprise less than 4% of the new units being built in the central city. We conclude that this represents less than 2% even potentially additional “affordable” units, because in almost every case an affordable (and compatible) single-family home was demolished to make way for the duplex.

4. While a large duplex unit does increase household density, and giving some weight to duplex developers’ characterization of duplex units as “affordable,” we caution against thinking of large duplex units as affordable housing. Our preliminary modeling indicates that a 7,000 sq. ft. lot should normally be able to accommodate two duplex units at approximately 1,750 sq. ft. But a 2,000 sq. ft. unit sold at $250/SF would cost $500,000—much higher than the accepted definition of affordable housing in the Austin area.

5. If duplex units are allowed a higher FAR, they will tend to employ more impervious cover than single-family homes. While we believe the absolute numbers of large duplexes being affected are relatively small, it does seem to follow that an additional price the community pays for this type of density is increased runoff.

6. "McDormitories" are a problem in central Austin, and many McDormitories are built as large duplexes. We heard urgent complaints from neighborhoods throughout the central city about the phenomenon of large duplex housing being employed to create de-facto multi-family housing in single-family neighborhoods. These units are typically rented on a per-room basis to college students and were linked to significant disruption due to excess parking, late-night noise and parties, yard maintenance, and other issues. These "stealth dorms" present complex issues in regulating on the basis of occupancy, but making duplexes conform to the same bulk and scale as other structures would help slow the spread of the phenomenon.
7. Giving duplexes special treatment skews the speculative development potential in traditional neighborhoods from single-family to large duplex. Investors will in effect be encouraged to develop large duplexes that are out of scale with their surroundings. This is not fair to single-family resident owners and will be devastating to those who wish to attract new development that is compatible in bulk and scale with the existing neighborhood.

8. We believe there are alternate approaches to increasing density that are superior to encouraging large duplex development. Approaches that can arise out of neighborhood planning (e.g. encouraging MF zoning on boundary areas and near transit/commercial) are much more effective in meeting the city’s density goals, better manage runoff, better promote affordability, and would be more finely attuned to the concerns of individual neighborhoods.

A final observation: Mr. Robinson’s data shows that there are 7,543 duplexes built prior to 2003 with an FAR under 0.4 and 454 duplexes with an FAR greater than 0.4. Post-2003 there were 65 duplex projects with FAR less than 0.4 and 25 projects greater than 0.4. Many of those 25 projects are the ones that are now causing complaints. If since 2003 we had limited duplexes to a 0.4 FAR and those last 25 projects had simply not been built, we would have done without at most 0.31% (=0.0031) of our current duplex housing stock.³¹

Taking all this and other data into account, we strongly believe our recommendation to include duplexes under our new development regulations strikes the correct balance. The numbers are just not there for the largest duplexes to drive a significant public benefit, but even a small number of these duplexes can have an outsized effect on neighborhood compatibility.

Sincerely,

Laura Morrison

Co-Chair of the Single-Family Development Regulations Task Force
Notes:

[1] Difficulties of comparison arise because the proposed definition of FAR varies from the definition given to Mr. Robinson at an earlier stage in our deliberations. Mr. Robinson's calculations included all garage and occupied attic space in FAR, but our current proposal would exclude much of the garage and all occupied attic space. According to the more stringent definition used by the city demographer, the following FAR's represent the indicated percentage of homes in the central city as a whole:

\[
\begin{align*}
\text{FAR} = 0.4 & & \text{total SF+duplex: 92%} & \text{duplexes only: 94.1%} \\
\text{FAR} = 0.45 & & \text{total SF+duplex: 96%} & \text{duplexes only: 95.7%} \\
\text{FAR} = 0.5 & & \text{total SF+duplex: 97.8%} & \text{duplexes only: 97.0.4%}
\end{align*}
\]

We estimate that a 0.5 above equates roughly to the 0.4 FAR we proposed because of changes in definition.

[2] For the purpose of this analysis, we assume that "large" units are at 0.5 FAR or higher in the city demographer's statistics. See note [1].

[3] We are aware as you are that replacing a single-family house with a duplex normally increases "household density", since two households would normally be replacing one household, but the situation can be more complex than this as we have seen in our research. If small households in duplexes (e.g. single urban professionals) displace a large household (e.g. a large nuclear family or an informal group home arrangement) that was in a single-family house, "human density" could actually decrease.

[4] The standard for "affordable" generally, in Austin, refers to those making 80% or below MFI (median family income.) Anecdotally we know that many of these large duplexes are renting for $700 - $1000 per bedroom to 3 students, which is a total rent of $2100 - $3000 per dwelling unit housing a "family" of 3. Based on the Austin MFI ($64,000 for a family of 3) and HUD housing standards (30% of income spent on housing), these units are attainable for those making between 131% and 187% MFI, a far cry from the definition of affordability. As to purchasers, "affordable" at the 80% MFI level or below for a family of 3 is a monthly housing cost of $1275 or less, which at today's interest rates and assuming a typical mortgage would correspond to a purchase price of well below $200,000.

[5] We assume that for 2-story structures, a developer may frequently "run out of FAR" before the maximum building footprint is reached. Whenever this occurs, a higher FAR should be associated with higher impervious cover. This is more likely to occur in a new duplex project than in a new single-family project.
We do believe that large duplexes can effectively be situated in SF-zoned lots that are "transitional" between commercial or multi-family use and SF-zoned neighborhoods, and we discussed at length how we might build this into the new regulations. But the specifics were difficult when dealing with the city as a whole, and so we recommend that the design review process include criteria wherein "transitional" lots like these are allowed to have larger duplex units than would otherwise be allowed.

We discovered that many living arrangements involving non-related persons living together are forms of affordable housing for poorer residents. New large duplexes are not used for this purpose, however, and in fact may play a role in displacing these tenants from their housing.

As indicated in note [1], we believe the current controls are even more generous than this. And it should also be assumed that at least some of these projects would have proceeded with some amount of scaling down of the proposed units.
The Planning Commission (PC) voted to forward a statement of issues and recommendations to the City Council, requesting that Council grant the Task Force more time to finalize their recommendations.

The following recommendations were included as part of the PC motion:

- Recommend a FAR of 0.4 for single-family structures and a FAR of 0.5 for duplexes and garage apartments.
- Recommend the building envelope as proposed by the Task Force
- Recommend that the proposed single-family residential design review commission be comprised entirely of licensed design professionals [no recommended total number of members specified] and that this commission act within 30 days of an applicant's request
- Recommend that affordability be added as a list of concerns for the SF residential design review commission
- Direct City staff to prepare an inventory of possible corridors and tracts that could be suitable for more dense, future development within the urban zones of neighborhoods
- Revisit the ordinance in 6 months to determine unintended consequences; this includes Planning Commission review

Motion as amended was approved on 6-2 vote (Commissioners Riley, Sullivan, Cavazos, Galindo, Jackson, Stegeman; Dealey and Moore opposed) (Reddy absent)
Motion re: single-family site development standards (case C20-06-0008) made by Commissioner Jay Reddy and seconded by Commissioner Mandy Dealey: Recommend that that the Planning Commission postpone this case for one week until their May 23 meeting and forward a list of concerns to the Task Force for consideration and review. (7-0 with Commissioners Keith Jackson and Gary Stegeman absent)

List of Planning Commissioners' concerns

Jay Reddy
- Concern about duplex builders' projects & effect of regulations on affordable housing goals. Recommendation is to either exempt duplexes or allow what they are able to build today.

Mandy Dealey
- Concerns about undefined boundaries of proposed regulations
- Concerns about the protection of trees [with the height limitations under the setback envelope] even it means exceptions for pier and beam structures
- Concerns about how variances would be handled especially for non-n'hood planned areas
- Concerns about the items still left to be determined, like the definition of attic space
- Why are FAR allowances different? e.g., 2nd and 3rd story covered porches versus ground floor porches? Why is 450 sq ft excluded for detached garages but 200 sq ft for attached garages?

Cid Galindo
- Boundaries: Mandatory or adopted by n'hoods voluntarily? Opt-in by n'hoods should be discussed.
- Can FAR be avoided? Perhaps use envelope and impervious cover restriction that vary according to lot size.
- More study needed on effect on property values

Dave Sullivan
- FAR limits for neighborhoods should be based on levels that would include 95% of already existing houses. "What constitutes too large for a given neighborhood?"
- Ensure that projects which started under the interim regulations be grandfathered.

Matt Moore
- Consider allowances for duplexes for small families and individuals. e.g., 1800 sq ft per side.

Chris Riley
- Discuss other ways to address duplexes
- Consider requiring drainage mitigation to achieve higher FAR for duplexes.
- Consider 200 sq ft exemption for attached garages for each unit of a duplex.
- Request of City staff to prepare a fiscal impact statement re: possible increased staffing levels.
June 5, 2006

Mayor Will Wynn
Mayor Pro Tem Danny Thomas
Council Member Raul Alvarez
Council Member Betty Dunkerley
Council Member Jennifer Kim
Council Member Lee Leffingwell
Council Member Brewster McCracken

Re: Single Family Regulations Task Force Draft Ordinance

Dear Mayor and Members of the City Council,

The Design Commission has reviewed the Draft Ordinance crafted by the Single Family Regulations Task Force. We concur with the findings of the task force that the primary issue is the compatibility of a new dwelling with the existing surroundings, and that this will best be achieved through regulation of building massing, scale, setback, and size. We support the draft ordinance in its current form, and offer the following specific suggestions:

Building envelope: The Design Commission believes that establishing a building envelope, similar to the one proposed by the task force, will help tremendously with neighborhood compatibility.

25-2-566.D - Maximum height- The task force proposes reducing the maximum building height from 35' to 32'. This lower height should not be required with the building envelope proposed, as the envelope will serve to create light and massing compatibility with neighboring structures. If a lot is wide enough to allow for additional height without penetrating the envelope, then the additional height (up to the current 35' limit) should be allowed.

25-2-1406.8 - Allowing neighborhoods to establish individual setbacks will be difficult to implement and may not lead to the desired result.

25-2-566.H - floor to area ratio- We agree that FAR can be used, in concert with the envelope, to successfully regulate compatibility. However, we believe that allowing neighborhoods to establish their own F.A.R. limits could have unforeseen consequences in terms of equity, affordability, and disproportionate development rights.

25-2-566.J - regarding the design review process: The draft suggests limits on the ways the review body could alter the requirements of the ordinance; a review board must be allowed to alter any aspect of the ordinance, or it can not serve its purpose as an alternative form of compliance.

As proposed by the task force, duplex regulations should be the same as single family. Additionally, if impervious cover and building envelope characteristics are met, the Design Commission believes that allowing detached duplexes (where both units are allowed to exceed 850 s.f. where the lot is large enough) would help create units that are more in scale with the neighborhood than larger attached structures with similar square footages.
The burden of compliance should fall consistently to the individual who submits the project for approval, as opposed to city staff, who will have difficulty determining these requirements in a timely manner (given their current workload).

The Design Commission recognizes and appreciates the tremendous amount of work that has been spent drafting the task force proposal.

Sincerely,

Eleanor McKinney, Chair
Austin Design Commission

Cc:
Laura Huffman, Assistant City Manager
Greg Guernsey, Director, Neighborhood Planning and Zoning
File