Land Development Code Revision
November 25, 2019
Why is the LDC a Priority?

The Land Development Code (LDC) determines how land can be used throughout the city – including:

- **what** can be built
- **where** it can be built
- And **how much** can (and cannot) be built
What Was CodeNEXT?

“The purpose of the comprehensive rewrite of the Land Development Code, known as CodeNEXT, was to promote each of the priority programs and the adopted policies and goals of the Imagine Austin Comprehensive Plan and to comply with Article X, Sections 1 and 5 of the City Charter which requires that Austin's land development regulations be consistent with the comprehensive plan.”

Resolution No. 20180809-111
Termination of CodeNEXT
August 9, 2018 - City Council approved a resolution terminating the CodeNEXT process and directed the City Manager to develop and propose a new process leading to a revised land development code.

Rational for Termination
CodeNEXT process failed due to a combination of significant disruptions.

The process of a comprehensive rewrite of a Land Development Code is necessarily complicated and requires:

- Consistent executive leadership from staff,
- Stable political framework, and
- Reliable analytical data.

"The Council finds that due to a combination of significant disruptions to the process, CodeNEXT is no longer a suitable mechanism to achieve its stated goals or address the critical challenges currently facing our City."

Resolution No. 20180809-111
LDC Revision Timeline
August 9, 2019 – October 30, 2019

August 9, 2018
City Council approved the termination of CodeNEXT and directed City Manager to propose a new process.

March 15, 2019
City Manager memo presenting five policy questions regarding the LDC revisions and requesting policy direction from the City Council.

May 2, 2019
City Council adopted policy direction in response to the City Manager’s questions.

May 14, 2019
The City Manager announced the new LDC revision process and the City Team Structure.

June – September 2019
Code development, staff modeling and testing, and staff briefings at various public meetings.

October 4, 2019
Public Release of the draft Code and Map.

October 25, 2019
Supplemental Staff Report released.

October 26, 2019
Planning Commission Public Hearing.

#aborconnects
Scope of Code Revisions
To what extent should the Land Development Code be revised?

Housing Capacity
To what extent should the Land Development Code provide for additional housing capacity in order to achieve the 135,000 additional housing units recommended by the Strategic Housing Blueprint?

Missing Middle Housing Types
To what extent should the Land Development Code encourage more “missing-middle” housing types, such as duplexes, multiplexes, townhomes, cottage courts, and accessory dwelling units?

Compatibility Standards
To what extent should the City’s “compatibility standards” (i.e., rules limiting development near residential properties) be modified to provide additional opportunities for development?

Parking Requirements
To what extent should the City’s minimum parking requirements be modified to provide additional opportunities for development and/or encourage transit options consistent with the Imagine Austin comprehensive plan?
Scope of Code Revisions
Option A.1. - Adopt a new LDC consisting of a new LDC (text) and zoning map to take effect concurrently.

“The new code should prioritize all types of homes for all kinds of people in all parts of town and a development pattern that supports 50/50 Transportation Mode by 2039.”

Housing Capacity
Option C. – Provide greater housing capacity than Draft 3, through enhanced measures to allow construction of additional residential units.

Set housing capacity to at least 3x the Austin Strategic Housing Blueprint goal of 135,000 new housing units.

Missing Middle Housing Types
Option C. – Provide for a greater range of housing types than Draft 3.
- Allow ADUs in all residential zones.
- Reduce site development standards for missing middle housing (duplexes, multiplexes, townhomes, etc.) to facilitate development of additional units

Compatibility Standards
Option C. – Reduce the impact of compatibility standards on development to a greater degree than Draft 3.

Parking Requirements
Option C. – Reduce the impact of minimum parking requirements on development to a greater degree than Draft 3.
What is Capacity and Yield?

Capacity
The “upper limit” or the amount of housing units that is allowed to be built on land.

Yield
The amount of housing units that might actually be built and is influenced by many factors, such as owner preferences, construction costs, and/or other restrictions.
Transition Areas
What is a Transition Area?

Transition Area
Generally referred to as the areas along activity corridors, activity centers, and the transit priority network where missing middle housing zones will be applied.

A goal of transition areas is to add housing stock where it can provide the most public benefit (i.e. close to transit, in High Opportunity areas, etc.).
Council’s Policy Direction
“The LDC Revisions should map properties for missing middle housing in transition areas that meet some or all of the following criteria. Entitlements and length of transition areas should be relatively more or less intense for areas that meet more or fewer of the criteria listed below, respectively:

i. Located on a Transit Priority Network, or Imagine Austin Centers or Corridors
ii. Located within the Urban Core as defined by the Residential Design and Compatibility standards Area (McMansion Ordinance)
iii. Has a well-connected street grid
iv. Located in a High Opportunity area as defined in the Enterprise Opportunity360 Index.”

Staff Accumulative Context Approach
To implement the Council’s direction above, City Staff determined which areas throughout the city met the most of these criteria and which areas met the least.

The more criteria which overlap in a particular area, the deeper the transition area is from the corridor. Conversely, where fewer criteria overlap, transition areas are shallower and include fewer lots.

“As currently proposed, transition areas make up about 2 percent of the city land area.”

October 4, 2019 Staff Report
Depth of Transition Areas

Generally, the transition areas are two to five lots deep beyond the corridor-facing lot.

- Average Depths: 500 to 700 ft from the corridor-facing lot.
- Deepest transition area: no more than 850 ft from the corridor-facing lot.
- Council direction limits the depth of transition areas so that they “do not overlap with the majority of the existing single-family neighborhood area.”
Changes being Considered

City staff is considering greater context-sensitivity for the mapping of transition areas. City Staff is considering the following:

- Reducing the depth of the transition zone application on predominately residential corridors by adjusting the “2 to 5 lots deep” count to include the residential properties fronting the corridor.
- Reducing transition areas and the application of transition zones in areas susceptible to gentrification.
Zones in Transition Areas

R4 (Residential 4 Zone)

<table>
<thead>
<tr>
<th># of Units</th>
<th>Max. Height</th>
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<tbody>
<tr>
<td>By-right</td>
<td>4</td>
</tr>
<tr>
<td>AHBP Bonus</td>
<td>8</td>
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</tbody>
</table>

RM1 (Residential Multi-Unit 1 Zone)

<table>
<thead>
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<th># of Units</th>
<th>Max. Height</th>
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<tbody>
<tr>
<td>By-right</td>
<td>6</td>
</tr>
<tr>
<td>AHBP Bonus</td>
<td>10</td>
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</table>
Compliant Residential Uses
(Division 23-2H-3)
Allows existing single-family homes in transition areas (i.e., RM1 or R4 zones) to be maintained in perpetuity and expanded or rebuilt consistent with comparable house-scale zones that allow new single-family construction.

- If a single-family home were expanded to include multiple units then the right to resume single-family use of the property be lost.

Original Staff Proposal
Staff’s initial proposal was to require voluntary demolitions to build more than a single unit back.

- However, in response to community feedback, staff has proposed the less restrictive and more incremental provisions indicated above.

“Single-Family in Transition Areas

“To the greatest extent possible, include code restrictions that provide properties zoned for multi-family will develop with multi-family and not single-family structures. At the same time, however, make allowances for existing single-family structures that become non-conforming to be maintained, remodeled, and potentially expanded, so long as they are not demolished or substantially rebuilt. Staff should provide options for minimum unit yield based on the zone.”

May 2nd Council Adopted Policy Direction
# New Site Development Regulations

Notable Changes based on Council Direction

## Parking Requirements
- No parking required within ¼ mile of Centers and Corridors, as designated by the Growth Concept Map.
- One parking spot required per dwelling unit.
- No parking required for small-sites in Main Street zones.
- General reduction in on-site parking required.
- Parking maximums city-wide

## Lot Sizes
- Minimum lot sizes have generally been reduced.
- Minimum lot size for two dwelling units by-right is 5,000 square feet.

## Compatibility Standards
- The impact of compatibility standards is generally reduced.
- Unlike current code, compatibility standards are triggered based on adjacency to, not an existing use.
- Setbacks and stepbacks remain
- Height and massing have been simplified

## Floor-to-Area Ratio (FAR)
- FAR restrictions have been added to most zones as the basis for the Affordable Housing Bonus Program (AHBP) and the preservation incentive.

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## Lot Sizes

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Details</th>
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## Compatibility Standards

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New Zoning Category Examples

Residential House-Scale Zones (LDC Revision, 23-3C-3)
Zones included in the Residential House-Scale (R) category allow single-family detached houses, duplexes, small multiplexes, cottages, townhouses, and accessory dwelling units.

- Zones include Rural Residential (RR) through Residential 4 (R4)

Residential Multi-Unit Zones (LDC Revision, 23-3C-4)
Zones included in the Residential Multi-Unit (RM) category allow a diverse range of housing options, including three to four-story detached buildings, multi-story residential buildings, and residential manufactured homes.

- Zones include Residential Multi-Unit (RM1) through Residential Multi-Unit 5 (RM5)
City of Austin Resources

City of Austin LDC Revision Website

- Land Development Code Drafts (Text and Maps)
- Land Development Code Revision Blogs
- Memos and Documents
- Meeting Videos and Staff Presentations
- Council Q&As
- FAQs: View and Submit
- Meet the Team
- Schedule a one-on-one 30 minute meeting
- Additional Resources

www.austintexas.gov/ldc
Impact on Property Taxes
What’s the Impact on Property Taxes

“(d) The market value of a residence homestead shall be determined solely on the basis of the property's value as a residence homestead, regardless of whether the residential use of the property by the owner is considered to be the highest and best use of the property.”

Tex. Tax Code §23.01(d)

Highest and Best Use

“The market value of a residence homestead must be determined solely on the basis of its current use regardless of its highest and best use.

For example, a homestead must be appraised as such, even if it is located where its highest and best use might be as the site for an office building or a parking lot for a mall.”

Texas Comptroller - Property Tax Basics
Question
If you have a single-family home on a property and the zoning changes, but it's still being used as a single-family residence, how do you value the property?

Answer
"By law if it's a single-family residence used as a residence and has the protection of a homestead exemption, we must always consider that the highest and best use is as a single-family residence. So we will always compare that to other single-family residences, even though the underlying zoning underneath it may be something different."

- Chief Appraiser Marya Crigler

“Even if the housing or the use of the property surrounding it changes, we are still required by law to appraise that as a single-family residential. So it could be surrounded by businesses on all sides. It is still single-family residential and we have to appraise it as single-family residential.”

Chief Appraiser Marya Crigler
Next Steps
Land Development Code Revision Timeline

Office Hours
The public can schedule one-on-one appointments with the staff to learn how the Code will affect their property or neighborhood.

City Council Work Sessions
December 3, December 4

City Council Public Hearing
December 7

City Council Vote on First Reading
December 9
Core ABoR Principles Moving Forward

1. Protecting property rights, removing regulatory obstacles, and advocating for maximum flexibility for homeowner’s entitlements
2. Supporting a rich and diverse supply of housing
3. Embracing development that meets smart growth principles
4. Promoting streamlined and predictable development review process
5. Increasing geographically-distributed workforce housing options for all residents
Contact Us
ABoR Government Affairs Team

AMY EVERHART
Director of Public Affairs
eaeverhart@abor.com | ext. 1305

TAYLOR G. SMITH
Senior Policy Advisor
tsmith@abor.com | ext. 1501

HEADQUARTERS
4800 Spicewood Springs Road
Austin, TX 78759

SOUTH OFFICE
2028 E. Ben White Blvd.
Austin, TX 78741

NORTH OFFICE
1120 Cottonwood Creek Trail
Building B, Suite 220
Cedar Park, TX 78613
Thank you!