



PLANNING
DEPARTMENT

C20-2024-017 PDA2 & Density Bonus for Commercial Highway & Industrial Zones (DB240)

COUNCIL MEETING PRESENTATION

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Nov. 7, 2024



Background

1966

City Council first adopted the Planned Development Area land use with the following purpose: “to provide suitable and conducive environment for the development of modern administrative facilities, research establishments, specialized manufacturing plants, and similar enterprises plus retail and other customer service facilities... and not intrude upon nearby existing or future residential and associated development.” (page 21)

2014-2024

Staff analysis of PDA zoning ordinances over the past decade shows an increase in cases where residential uses have been permitted. Since 2014, there have been 45 zoning ordinances which permitted residential uses, with 31 of those cases since 2020.

2024

City Council initiated Resolution No. 20240718-091, which directed the City Manager to: “create a new density bonus program that will apply to the PDA zoning district and allow increased heights for residential uses in exchange for income-restricted units or a fee-in-lieu.”



Summary of Existing PDA

- **Allows:**
 - Residential uses to be added
 - Commercial uses to be added
 - Modified site development standards
 - Modified heights
 - Modified FAR
- **Base zones that can use PDA:**
 - Commercial Highway (CH)
 - Industrial Park (IP)
 - Major Industry (MI)
 - Light Industrial (LI)
 - Research & Development (R&D)
- **Requires:**
 - Rezoning
 - 500ft notice to adjacent properties
 - Planning Department review
 - Presented to Planning Commission for recommendation
 - Presented to Council for adoption

Proposed PDA 2

Allows:

- Commercial uses to be added
- Modified site development standards
- Modified heights
- Modified FAR

Does not allow:

- Residential uses to be added

Base zones that can use PDA2:

- Industrial Park (IP)
- Major Industry (MI)
- Light Industrial (LI)
- Research & Development (R&D)

Rezoning Requires:

- 500ft notice to adjacent properties
- Planning Department review
- Presented to Planning Commission for recommendation
- Presented to Council for adoption



Proposed DB240

Allows:

- Increased height to max. 240 feet
- Unlimited FAR

Adds:

- Residential uses and specific commercial uses

Amends:

- Certain site development standards

Requires:

- Community benefits (affordable housing & others)

Base zones that can use DB240:

- Commercial Highway
- Industrial Park (IP)
- Major Industry (MI)
- Light Industrial (LI)
- Research & Development (R&D)

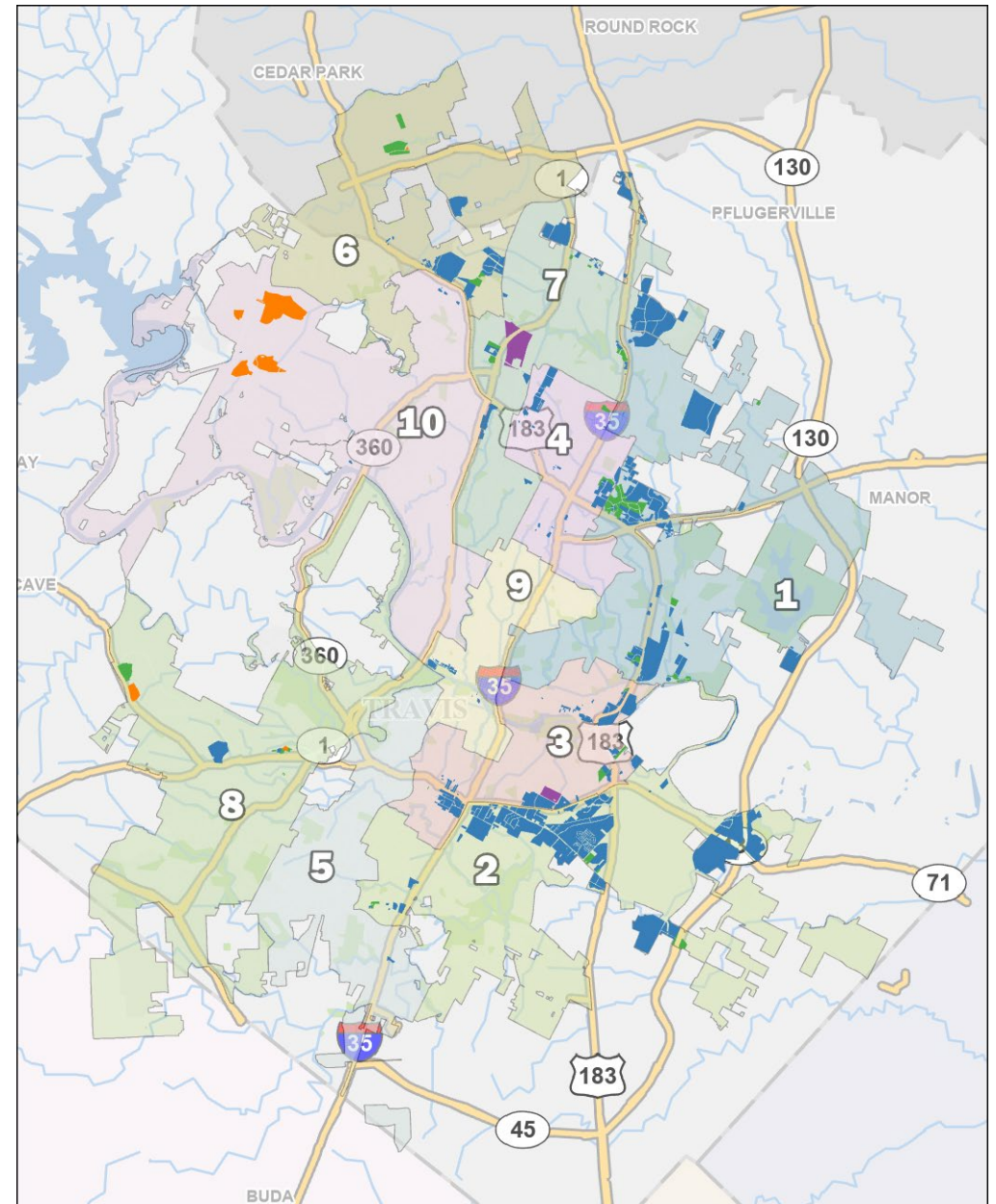
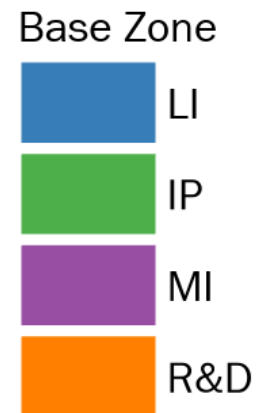
Rezoning Requires:

- 500ft notice to adjacent properties
- Planning Department review
- Presented to Planning Commission for recommendation
- Presented to Council for adoption



PDA2 – Purpose

- The purpose of a Planned Development Area 2 (PDA2) is to:
 - Allow for additional uses & revision of site development standards in:
 - Industrial Park (IP)
 - Major Industry (MI)
 - Light Industrial (LI)
 - Research & Development (RD)
 - CH cannot use new PDA2
 - Cannot add residential uses
 - New applications for PDA not accepted after PDA2 is adopted





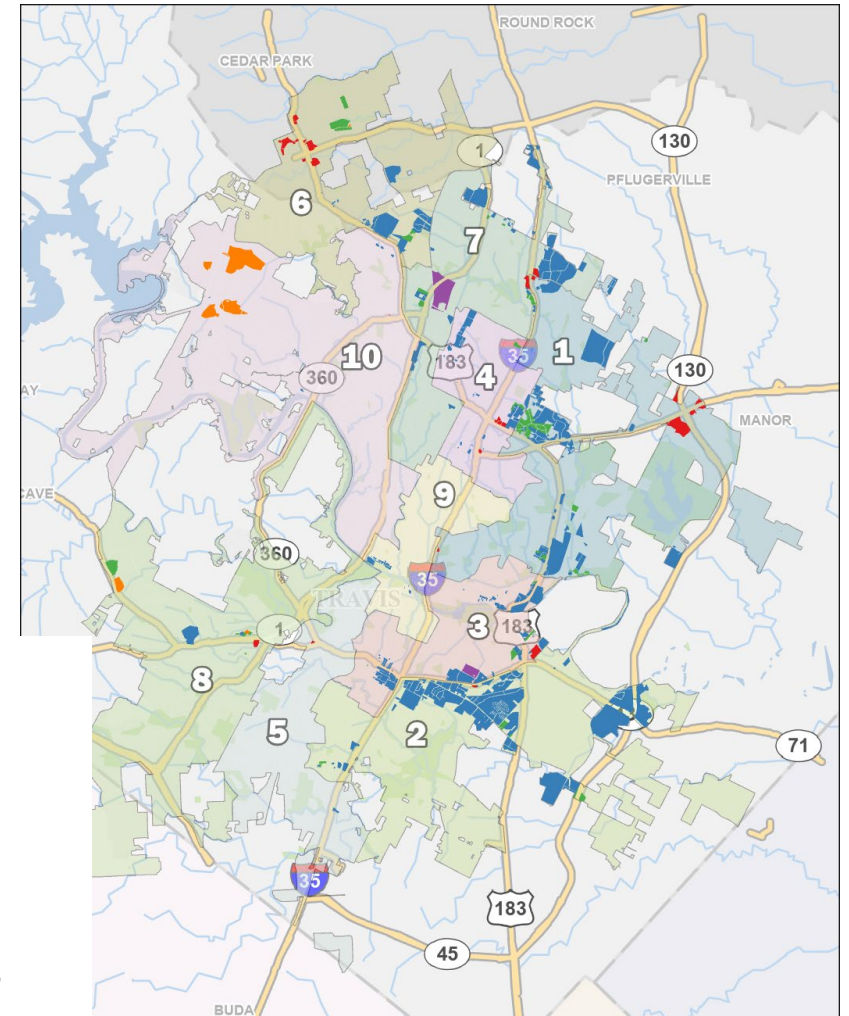
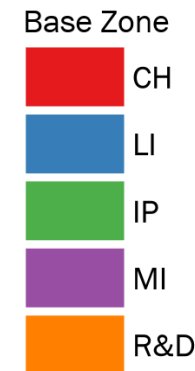
PDA2 – Generally

- Regulations established by a PDA2 combining district may modify:
 - permitted or conditional uses authorized in the base district, **except for allowing residential use;**
 - site development regulations applicable in the base district, except for Subchapter C, Article 10 (Compatibility Standards); and
 - off-street parking design or loading regulations, sign regulations, or landscaping or screening regulations applicable in the base district.



Density Bonus for Commercial Highway and Industrial Zone (DB240)

- The purpose of DB240 is to:
 - Allow for modified site development regulations and residential uses in certain existing commercial and industrial base districts in exchange for community benefits.
- Only combined with CH, IP, MI, LI, & RD
 - Not combined with PDA or PDA2
- Allows residential uses and grants additional building height for residential uses in exchange for income-restricted housing or a fee-in-lieu
- Allows certain commercial uses to be added
- Restricts certain industrial uses





DB240 – Permitted Uses

- Residential Uses
 - Bed & Breakfast (Group 1)
 - Bed & Breakfast (Group 2)
 - Condominium Residential
 - Conservation Single Family Residential
 - Duplex Residential
 - Group Residential
 - Mobile Home Residential
 - Multifamily Residential
 - Retirement Housing (Small Site)
 - Retirement Housing (Large Site)
 - Single-Family Attached Residential
 - Single-Family Residential
 - Small Lot Single-Family Residential
 - Townhouse Residential
 - Two-Family Residential
 - Short-Term Rental (Types 1 and 3)
- Commercial Uses
 - Cocktail Lounge
 - Commercial Off-Street Parking
 - Consumer Convenience Services
 - Consumer Repair Services
 - Equipment Repair Services
 - Equipment Sales
 - Food Sales
 - General Retail Sales (Convenience)
 - General Retail Sales (General)
 - Hotel-Motel
 - Kennels
 - Laundry Services
 - Liquor Sales
 - Personal Improvement Services
 - Pet Services
 - Plant Nursery
 - Software Development
 - Vehicle Storage
 - Veterinary Services
- Civic Uses
 - Child Care Services (Commercial)
 - Child Care Services (General)
 - Child Care Services (Limited)
 - College and University Facilities
 - Counseling Services
 - Family Home
 - Guidance Services
 - Hospital Services (Limited)



DB240 – Conditional Uses

- Commercial Uses
 - Agricultural Sales and Services
 - Alternative Financial Services
 - Automotive Rentals
 - Automotive Repair Services
 - Automotive Sales
 - Automotive Washing (of any type)
 - Bail Bond Services
 - Commercial Blood Plasma Center
 - Monument Retail Sales
- Civic Uses
 - Community Events
 - Hospital Services (General)
 - Private Primary Educational Facilities
 - Private Secondary Educational Facilities
 - Public Primary Educational Facilities
 - Public Secondary Educational Facilities
 - Telecommunication Tower
 - Employee Recreation
- Agricultural Uses
 - Indoor Crop Production
- Industrial Uses
 - Light Manufacturing



DB240 – Prohibited Uses

- Industrial Uses
 - Basic Industry
 - General Warehousing and Distribution
 - Recycling Center
 - Resource Extraction
- Commercial Uses
 - Drop-Off Recycling Collection Facility
 - Electronic Prototype Assembly
 - Electronic Testing
 - Exterminating Services
 - Scrap and Salvage
- Civic Uses
 - Railroad Facilities



DB240 – Regulations Generally

- Density Bonus for Commercial Highway and Industrial Zones governs over conflicting provisions
- Allows residential uses
- Requires compliance with Chapter 4-18, Article 2
 - Residential Redevelopment
 - Non-residential Redevelopment
- Max height of 240ft
- Unlimited FAR

Base Zoning Districts			
Base Zones	Description	Base Max Height	Max Height w/ Bonus
R&D	Research & Development	45ft	165ft
LI	Light Industrial	60ft	180ft
IP	Industrial Park	60ft	180ft
CH	Commercial Highway	120ft ¹	240ft
MI	Major Industry	120ft	240ft

1 - CH height varies between 60-120ft based on impervious area



DB240– Affordable Housing Regulations

Affordable Housing Regulations for Residential Projects

Additional Entitlement	Rental Affordable Housing Set-Aside	Ownership Affordable Housing Set-Aside
Residential Uses w/ no additional height ¹	10% at 60% MFI ² or 8% at 50% MFI	10% at 80% MFI or Fee-in-Lieu
Residential Uses + 30 feet of height	10% at 60% MFI or 8% at 50% MFI	10% at 80% MFI or Fee-in-Lieu
Residential Uses + 60 feet of height	12% at 60% MFI or 10% at 50% MFI	12% at 80% MFI or Fee-in-Lieu
Residential Uses + 120 feet of height	15% at 60% MFI or 12% at 50% MFI	15% at 80% MFI or Fee-in-Lieu

1 - This Tier does not apply to CH since the base district allows residential use

2 - MFI - Median Family Income



DB240 – Non-Residential Regulations

- Non-Residential Redevelopment Requirements from Ch. 4-18 apply
 - Replace existing non-residential spaces
 - Provide current non-residential spaces with
 - Notice
 - Payment equal to 6 months rent (calculated by EDD w/ submarket analysis)
 - Grant option to lease new non-residential spaces



DB240 – Non-Residential Redevelopment

- Applies to:
 - Creative Spaces (personal improvement services)
 - Art Gallery, Art Workshop, Performance Venue, Theater
 - Brewery, Distillery & Cidery (limited warehousing & distribution)
 - Under 20,000sf, est. for 5 yrs.
 - Food Manufacturing (limited warehousing & distribution)
 - Under 20,000sf, est. for 5 yrs.
 - Custom Manufacturing
 - Under 10,000sf, est. for 5 yrs.
 - Light Manufacturing
 - Under 10,000sf, est. 10 for yrs.



DB240 – Development Standards

- Comply with Subchapter E & Article 2 (Site Development Standards)
- For Mixed-Use Residential Affordable Housing Regulations apply
 - Affordable unit set-aside or fee-in-lieu required for residential uses in a mixed-use development
- Limitation on Mix of Uses:
 - Residential use cannot be below a performance venue
 - Staff does not recommend requiring 75% of building frontage as commercial space
- Height
 - 10ft building step-back required after 90ft of height



DB240 - Compatibility & Setbacks

- Required to meet Article 10 (Compatibility Standards), Subchapter C of City Code 25-2
- Setbacks reduced to 15 feet or less restrictive



Codes & Ordinances Joint Committee Amendments:

COJC AMENDMENT	STAFF RESPONSE
Removing 10 foot step-back at 90 feet of height	Staff does not support this recommendation. Requiring a 10-foot step-back would allow for more light to reach pedestrian spaces as well as discourage blank facades with windowless bedrooms.
Changing Employee Recreation Use from Prohibited to Conditional	Staff recommends (included in staff report and ordinance)
Allowing for more community benefits	Staff recommends



Planning Commission Recommendations:

PC AMENDMENT	STAFF RESPONSE
Include Transit Support Infrastructure	Staff does not recommend
Include street level improvements such as Great Streets, UNO streetscape or SCW Overlay streetscape standards	Staff does not recommend
Include density distribution areas (DDA) from SCW and similar pedestrian connectivity requirements	Staff does not recommend
Consider expanding use of DB240 to other base zones	Staff does not recommend
Require zoning staff provide publicly available Texas Commission of Environmental Quality information on facilities with highest levels of emissions	Staff does not recommend
Include creative space community benefit that creates a tax credit or financial incentive for owners who provide creative space and artist-in-residence space	Staff does not recommend



Planning Commission Recommendations:

PC AMENDMENT	STAFF RESPONSE
Include ground floor commercial requirements	Staff recommends (included in staff report and ordinance)
Require Subchapter E Core Transit Corridor standards for all sites	Staff recommends (included in staff report and ordinance)
Require additional ground floor commercial requirements for larger sites	Staff recommends with changes(included in staff report and ordinance)



Planning Commission Recommendations:

PC AMENDMENT	STAFF RESPONSE
Prioritize DB240 for recalibration of community benefits	Future Planning Guidance
Recalibrate DB240 affordable housing requirements	Future Planning Guidance
Implement portions of Austin's Hire Local Plan and ensure there is equitable industrial land use across the city	Future Planning Guidance



Timeline

- Codes and Ordinances Joint Committee – September 18
 - Recommended as amended by the Codes and Ordinances Joint Committee on a 4-1-1 vote with Commissioner Greenberg voting nay, Commissioner Stern abstaining, and Commissioner Maxwell off the dais.
- Planning Commission – October 8
 - Postponed to October 22
- Planning Commission – October 22
 - Recommended as amended by the Planning Commission on a 7-6 vote with Commissioners Phillips, Haynes, Barrera-Ramirez, Cox, Johnson, Azhar voting nay.
- Virtual Public Meeting – October 28
- City Council – Postponed to November 7



Contact Us

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Thank You