

REZONING AND ORDINANCE AMENDMENT REVIEW SHEET

Amendment: C20-2024-018 Downtown Density Bonus (DDB) Update

Description: Amend City Code Title 25 (Land Development) to create Downtown Density Bonus 400 Combining District (DDB400) and rezone property generally located west of north Interstate 35, east of Nueces Street, south of E 11th Street, and north of Lady Bird Lake to apply DDB400 and to create Downtown Density Bonus 850 Combining District (DDB850).

Background: Initiated by City Council [Resolution No. 20240718-185](#) and [Ordinance No. 20251023-063](#).

The Downtown Density Bonus program, or the DDB program, was first adopted by [Ordinance 20130627-105](#) in 2013 to promote a vibrant, dense, and pedestrian-friendly downtown area while also encouraging the development of affordable housing and other community benefits. In Texas, local governments are not allowed to use zoning laws to require affordable housing. For this reason, bonus programs are an effective way for the City to encourage private developers to provide affordable housing units in exchange for increased entitlements, such as greater height or floor-to-area ratio (FAR) above a development's base zoning. The Downtown Density Bonus program leverages Downtown's growth to create a more vibrant city center and provide benefits for the city as a whole.

Since the program's original adoption, the DDB program regulations were amended in 2014, 2019, 2023, and 2025 by the following ordinances: [Ordinance No. 20140227-054](#), [Ordinance No. 20191031-037](#), [Ordinance No. 20230504-030](#), [Ordinance No. 20230504-031](#), [Ordinance No. 20231029-052](#), and [Ordinance No. 20251023-063](#). Most of these ordinances added clarifying language or maps, with the exceptions being those from 2014 and 2025. The 2014 amendment allowed properties within the Rainey Street Subdistrict to participate in the program, as well as added additional community benefit options development could choose from, such as achieving a 3-star Austin Energy Green Building rating, preservation of a historic structure on-site, the provision of a public plaza, and many other benefits. The 2025 amendment updated the program's language and eligibility map to reflect the updated maximum base height allowance of 350 feet for properties zoned as Central Business District (CBD).

Since its adoption in 2013, the DDB program has facilitated the development of over 8,000 planned and built housing units, and 90% of eligible projects have used the program. Additionally, the program has generated over \$13 million in affordable housing fees-in-lieu (FIL) that go towards the Affordable Housing Trust Fund, which is roughly 40% of the total FIL generated from all Density Bonus programs.

In July 2024, City Council [Resolution No. 20240718-185](#) directed staff to update the Downtown Density Bonus program. The resolution's goals are to update the program's gatekeeper requirements, integrate the Rainey subdistrict, create new subdistricts, prioritize accessibility and shade opportunities, simplify the affordability program, and more closely

align the program with the Equitable Transit-Oriented Development (ETOD) overlay. Additionally, in October 2025, City Council [Ordinance No. 20251023-063](#) adopted amendments to the Central Business District Zone that directed staff to update the Downtown Density Bonus program by June 2026 for three Downtown Density Bonus program subdistricts. This proposed code amendment is the first phase, Phase I, of these requested updates. Lastly, in October 2025, Planning Commission also initiated a code amendment to modify the Downtown Density Bonus program to allow participating projects to exceed the height limits and other requirements established by the Downtown Parks Overlay.

Summary of Proposed Code Amendment:

The proposed code amendment will modify existing Code § 25-2-586 - DOWNTOWN DENSITY BONUS PROGRAM and create two new density bonus combining districts – Downtown Density Bonus 400 (DDB400) and Downtown Density Bonus 850 (DDB850).

The new DDB400 and DDB850 combining districts will replace the existing Downtown Density Bonus applicability map in the downtown core, Rainey Street, and the convention center area. These combining districts will be created in Phase 1, and additional combining districts and potential subdistricts may be created in future phases. Regulations and community benefit requirements may vary by combining district. Properties within the mapped applicability area, shown in Exhibit B, will be rezoned into DDB400 and will be eligible to request rezoning into DDB850.

Applicability

The DDB400 and DDB850 combining districts will adhere to an applicability map that defines the geographic area where properties will be eligible for the combining districts. The boundaries of the DDB400 and DDB850 combining districts may be expanded in future update phases. The DDB program and its requirements will apply to properties that elect to participate in the voluntary DDB program. Development using a property's base zoning regulations will not be impacted by the addition of the combining district.

Permitted Uses

Residential Uses including Multifamily Residential and Group Residential, and Local Uses as defined below.

Local Uses:

Administrative and Business Offices
Art Gallery
Art Workshop
Business and Trade School
Consumer Convenience Services
Consumer Repair Services
Counseling Services
Custom Manufacturing
Cultural Services
Child Care and Adult Care (General, Limited)
Financial Services
Food Preparation, in conjunction with Food Sales
General Restaurant or Limited Restaurant Accessory Use
Food Sales
General Retail Sales (Convenience or General)

Guidance Services
Indoor Sports and Recreation
Medical Offices (under 5,000 square feet)
Performance Venue
Personal Improvement Services
Personal Services
Pet Services
Postal Facilities
Printing and Publishing Services
Professional Office
Religious Assembly
Restaurant (General or Limited)
Theater
A conditional use in the base zoning district that is approved by the land use commission

Prohibited Uses:

COMMERCIAL

Agricultural Sale and Services
Automotive Sales
Automotive Rentals
Automotive Repair Services
Building Maintenance Services
Campground
Carriage Stable
Convenience Storage
Drop-off Recycling Collection Facility
Electronic Prototype Assembly
Electronic Testing
Equipment Repair Services
Equipment Sales
Exterminating Services
Funeral Services
Marina
Recreational Equipment Maintenance & Storage
Recreational Equipment Sales

Research Assembly Services
Research Testing Services
Research Warehousing Services
Scrap and Salvage
Service Station
Stables
Vehicle Storage

INDUSTRIAL

Basic Industry
General Warehousing and Distribution
Recycling Center
Resource Extraction

AGRICULTURAL

Animal Production
Crop Production
Indoor Crop Production

Conditional Uses:

COMMERCIAL

Alternative Financial Services
Automotive Washing
Bail Bond Services
Commercial Blood Plasma Center
Commercial Off-Street Parking
Communications Services
Construction Sales and Services
Electric Vehicle Charging
Kennels
Monument Retail Sales

Off-Site Accessory Parking
Pawn Shop Services
Pedicab Storage and Dispatch
Special Use Historic

INDUSTRIAL

Custom Manufacturing
Light Manufacturing
Limited Warehousing and Distribution

AGRICULTURAL

Horticulture

Site Development Standards

Staff recommends the site development and building standards of the DDB program’s proposed gatekeeper requirements: compliance with the proposed Urban Design Standards, compliance with the Great Streets streetscape requirements, and a minimum of a 2-star Austin Energy Green Building rating. These requirements continue the urban development strategies that have created more environmentally conscious building design, pedestrian-oriented streetscapes, and transit-supportive densities downtown.

Staff’s proposal also includes exemptions from certain site development standards and reduced setbacks to help incentivize participation in the program and help maximize development potential.

| General Site and Building Development Standards | |
|--|--|
| Exemptions | <ul style="list-style-type: none"> - Maximum floor-to-area ratio - Maximum building coverage - Landscaping requirements - Minimum site area - Private common open space - Impervious cover |
| Setbacks | <ul style="list-style-type: none"> - No minimum setbacks unless necessary to ensure adequate Fire Department access - 10’ maximum street yard except for public plaza/private common open space |

Additional Requirement for Certain Uses

The proposal includes additional requirements for multifamily residential development to increase the accessibility of ground floor units and to increase the number of accessible units within a development. The following requirements apply to dwelling units in multifamily buildings:

- Ground floor dwelling units must be:
 - Adaptable for use by a person with a disability; and
 - Accessible by a person with a disability from on-site parking, pedestrian path, and common facilities
- 10% of all dwelling units must be accessible for a person with a mobility impairment
- 2% of all dwelling units must be accessible for a person with a hearing or visual disability

Redevelopment Requirements

The proposal includes certain requirements when redeveloping multifamily or commercial property. The redevelopment requirements support the goals of the Equitable Transit-Oriented Development Policy Plan and the Austin Strategic Housing Blueprint by increasing the supply of affordable housing while preserving existing affordable housing and community spaces.

A redevelopment of an existing multifamily residential structure must:

- Replace all units (up to two times the percentage required by the program) that were affordable to a household earning 70% MFI or below
- Provide current tenants with notice and relocation benefits

- Grant current tenants the right to return to a unit of comparable size and bedrooms following completion of the redevelopment
- Allow current tenants to terminate a lease without penalty
- Return security deposits to current tenants

The proposal also includes redevelopment requirements for some existing non-residential structures. Qualifying non-residential structures are defined as:

- Creative spaces (see § 25-2-654(F) for definition) operating for ≥ 3 years
- Adult care services (general or limited) operating for ≥ 12 months
- Child care services (general or limited) operating for ≥ 12 months
- Cocktail lounges operating for ≥ 10 years
- Food sales operating for ≥ 10 years w/ a gross floor area of $\leq 20,000$ sq ft
- General retail sales operating for ≥ 10 years w/ a gross floor area of $\leq 5,000$ sq ft
- Personal services operating for ≥ 10 years w/ a gross floor area of $\leq 5,000$ sq ft
- Restaurant (general or limited) operating for ≥ 10 years w/ a gross floor area of $\leq 5,000$ sq ft

A redevelopment of an existing qualifying non-residential structure must:

- Provide current tenants with notice and relocation benefits
- Grant current tenants the right to return to a unit of comparable size following completion of the redevelopment

Gatekeeper Requirements

The proposal requires all participating developments to meet three gatekeeper requirements. A development must provide the following:

- Compliance with Urban Design Standards, as described below
- Compliance with Great Streets Standards for streetscape improvements
- A minimum 2-star rating under the Austin Energy Green Building Program
 - The 2-star rating must meet bird-friendly design standards as part of their score.

Downtown Density Bonus Urban Design Standards

These standards would apply only to projects seeking Downtown Density Bonus entitlements and are intended to implement public realm and pedestrian environment objectives that currently apply under §25-2-586. In order to participate in the proposed Downtown Density Bonus (DDB) program, projects would be required to adhere to all mandatory design standards and a minimum number of additional urban design standards from a menu of options.

For Phase I of the Downtown Density Bonus update, the proposed requirements would be:

- Projects zoned **-DDB400** must adhere to **all mandatory standards** and at least **7 out of the 14 menu standards** to participate in the DDB program

- Projects zoned –**DDB850** must adhere to **all mandatory standards** and least **10 out of the 14 menu standards** to participate in the DDB program

In future phases of the Downtown Density Bonus program update, additional combining districts may be created that have different requirements for the minimum number of urban design standards that must be met. Additionally, subdistricts may be created that provide additional urban design standards or requirements based on the unique character of specific areas (such as the Red River Cultural District). Additional design standards may also be added in the future. If additional design standards are added to the menu, the minimum number of standards that must be met may be modified.

The Urban Design team in Austin Planning will review site plans and determine compliance with the urban design standards.

Mandatory Urban Design Standards

Screening Requirements

- (A) Utility equipment, mechanical equipment, and solid waste collection areas, including loading docks, truck parking, outdoor storage, trash collection, trash compaction, and other service functions:
 - a. are prohibited in the area between a building and a street;
 - b. must not be visible from a street, adjacent property lines, or the property lines across adjacent public streets; and
 - c. must be screened or located in a public alley.
- (B) This subsection applies to a site with frontage on an alley 20 feet or more wide.
 - a. A transformer room or utility vault must be adjacent to and accessible from the alley, unless Austin Energy determines placement is required in another location.
 - b. A pump room, sprinkler room, or other utility or mechanical room must be adjacent to and accessible from the alley unless the Fire Chief determines that placing the room in another location is required because of a fire safety issue.
- (C) Above-ground parking must be screened so that vehicles are concealed from view from a public street or adjacent property.
 - a. Vehicle and parking garage screening materials must be providing at least 70% coverage.

Parking Requirements

- (A) Except as otherwise provided in this subsection, the maximum number of motor vehicle parking spaces allowed is 40% of the number of motor vehicle parking spaces formerly required by Appendix A (Tables of Off-Street Parking and Loading Requirements).
- (B) A development that is less than 10,000 square feet in floor area or contains 70 or fewer residential units can include up to 60% of motor vehicle parking spaces

formerly required by Appendix A (Tables of Off-Street Parking and Loading Requirements).

- (C) The maximum number of motor vehicle parking spaces allowed is 60% of the number of motor vehicle parking spaces formerly required by Appendix A (Tables of Off-Street Loading Requirements and Former Off-Street Parking Requirements) if:
- a. all parking spaces are contained in a parking structure;
 - b. the director finds that allowing additional parking spaces does not impact public health, safety, or welfare or undermine established planning policies for the area; and
 - c. one of the following:
 - i. the parking is a shared parking facility, and the site plan includes a note that identifies the shared parking facility as a condition of approval;
 - ii. the parking is rented or sold separately from the building space, and the site plan includes a note that identifies the separate rental or sale of the parking spaces as a condition of approval;
 - iii. the parking is designed and constructed for conversion to usable building space in the future, and the site plan includes a note that identifies the ability to convert the parking to usable building space as a condition of approval;
 - iv. the parking is included in an underground parking structure; or
 - v. the applicant pays a mitigation fee established by separate ordinance.
- (D) The maximum number of motor vehicle parking spaces allowed is 80% of the number of motor vehicle parking spaces formerly required by Appendix A (Tables of Off-Street Loading Requirements and Former Off-Street Parking Requirements) if the additional parking is included in an underground parking structure.

Pedestrian-Oriented Frontage Requirements

- (A) In this subsection, PRINCIPAL STREET has the same meaning as principal street in Article 5 (*Definitions*) of Subchapter E (*Design Standards and Mixed Use*).
- (B) At least 75 percent of the building frontage along the principal street must contain one or more commercial or civic uses and must comply with the dimensional requirements found in Section 4.3.3.C in Subchapter E (*Design Standards and Mixed Use*) of this chapter.
- (C) For properties with less than 100 feet along the frontage of the principal street, 50% of the ground floor occupiable area must contain one or more commercial or civic uses and must comply with the dimensional requirements found in Section 4.3.3.C in Subchapter E (*Design Standards and Mixed Use*) of this chapter.

- (D) Lobbies may qualify as pedestrian-oriented commercial or civic spaces if they include seating, are transparent, and are publicly accessible. A lobby that does not meet these qualifications may not count towards the required pedestrian-oriented commercial or civic space, except that up to 10% of required frontage may be satisfied by residential or office lobbies that are transparent, visible from the sidewalk, and have direct street access.

Primary Entrance Requirements

- (A) For purposes of this section, an “entrance” shall include a primary retail entrance, residential lobby entrance with direct street access, or shared public access point.
- (B) Buildings with at least 150 feet of a single street frontage shall provide at least one entrance on that frontage, and buildings with over 200 feet of frontage shall provide an entrance per every 150 feet of frontage, excluding alleys, with a minimum of two entrances.
- a. Alternative compliance may be approved where preserved historic façades make strict compliance infeasible.
- (C) When not in conflict with Great Streets, provide permanent overhead shelter over all primary entrances, with a shelter depth of no less than 40% of the clear height.

Optional Urban Design Standards

1. Enhanced Pedestrian-Oriented Frontage Requirements

- (A) At least 75% of the **total** building frontage on the ground floor of the building must contain one or more commercial or civic uses and must comply with the dimensional requirements found in Section 4.3.3.C in Subchapter E (*Design Standards and Mixed Use*) of this chapter.

2. Enhanced Primary Entrance Requirements

- (A) For purposes of this section, an “entrance” shall include a primary retail entrance, residential lobby entrance with direct street access, or shared public access point that meets pedestrian activation standards.
- (B) Buildings with at least 150 feet of a single street frontage shall provide at least two entrances on that frontage, and buildings with over 200 feet of frontage shall provide an entrance per every 75 feet of frontage, excluding alleys, with a minimum of three entrances.
- a. Alternative compliance may be approved where preserved historic façades, structural constraints, or site conditions make strict compliance infeasible.
- (C) When not in conflict with Great Streets, provide permanent overhead shelter over all primary entrances, with a shelter depth of no less than 40% of the clear height, and seating adjacent to each entrance.

3. **Bicycle Parking**

(A) Buildings shall provide a minimum of 15% of the proposed motor vehicle parking spaces or an additional 15 spaces beyond the minimum required bicycle parking in § 25-6-477 as publicly accessible bicycle parking, whichever is greater.

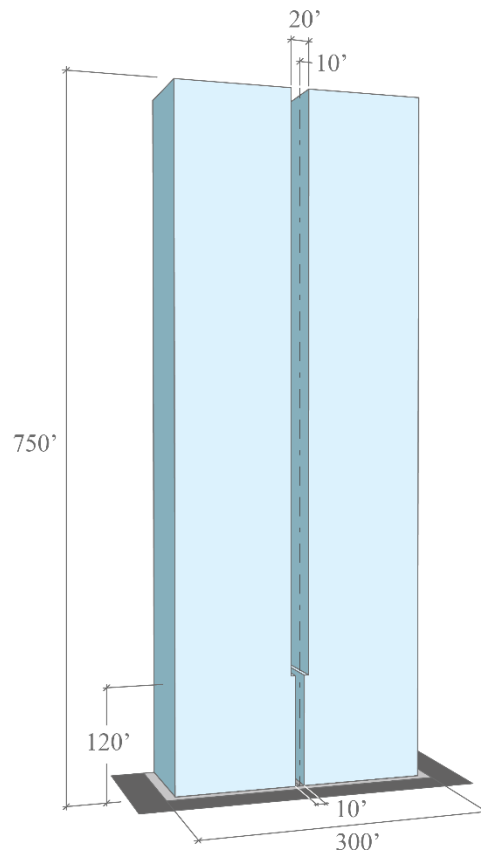
- a. “Publicly accessible” shall mean accessible without restricted entry during posted building hours.

4. **Upper Story Design**

(A) Buildings shall provide a minimum 10-foot stepback above 120 feet.

(B) A 10-foot separation shall be maintained from existing buildings 120 feet or taller.

(C) Lots with frontage under 100 feet on their front lot line shall limit building coverage above 120 feet to 85% of the lot frontage width.



Example of 10' Step-Back between buildings

5. **Limit Curb Cuts**

(A) Curb cuts shall be located to minimize pedestrian conflicts and preserve continuous active frontage.

- (B) Unless required by Fire Code or Transportation Criteria Manual standards, vehicular access to a site from a public street that runs:
- a. east and west is limited to one curb cut for each 140 feet of street frontage;
 - b. north and south is limited to one curb cut.
6. ***Limit Garage Lanes***
(A) Where access to a garage is required, driveways shall not exceed 2 lanes at the public right-of-way.
7. ***Minimum cantilever clearance in private space and encroachments for buildings***
(A) A minimum clearance of 40 feet from the ground shall be maintained for building cantilevering next to or into the public right of way to allow trees to grow.
(B) If a building encroaches into the public right-of-way, a minimum horizontal clearance of 8 feet from proposed trees shall be maintained.
8. ***Enhanced Protection for Pedestrians from Precipitation***
(A) When not in conflict with Great Streets, provide permanent overhead shelter over or abutting the pedestrian clear zone for no less than 60% of the street frontage, , including parking garage entrances and exits, with a depth of no less than 40% of the clear height.
(B) Sheltering structures, including overhangs, canopies, awnings, and arcades, must have a clear height of no more than 14 feet.
9. ***Provide High Levels of Transparency on Street-Facing Ground Floor Facades***
(A) Reflective, tinted, or low-transparency glass shall not be used to provide transparency along the sidewalk. Ground floor door and window glazing must have a visible light transmittance of 60% or higher and an external reflectance of 20% or less to be considered transparent.
- a. Transparent material used to satisfy (A) above must adhere to the Bird Friendly Design Standards outlined in the Austin Green Energy Building Standards.
10. ***Provide Transparency Above the Ground Floor***
(A) Reflective, tinted, or low-transparency glass shall not be used to provide transparency on the first two floors above the ground floor. Window glazing on these floors must have a visible light transmittance of 60% or higher and an external reflectance of 20% or less to be considered transparent.
- (B) Transparent material used to satisfy (A) above must adhere to the Bird Friendly Design Standards outlined in the Austin Green Energy Building Standards.
11. ***Provide a Publicly Accessible Restroom and/or Drinking Fountain***
(A) Provide and maintain at least one of the three options below:

- a. A no-cost all-gender indoor or outdoor restroom or restrooms directly accessible from the public right-of-way, with at least one of each of the following amenities:
 - i. toilet,
 - ii. baby changing station,
 - iii. sink or hand-washing station, and
 - iv. waste receptacle.
- b. A no-cost room for changing or breastfeeding that includes private, lockable rooms or stalls and that is directly accessible from the public right-of-way, with at least one of each of the following amenities:
 - i. sink or hand-washing station,
 - ii. baby changing station, and
 - iii. waste receptacle.
- c. Publicly-accessible water fountain located where not conflicting with Great Streets or a publicly accessible plaza. The fountains must be directly accessible from the sidewalk.

12. ***Provide Planting Area or Green Roof***

- (A) No less than 15% of the site area must be dedicated to an at-grade planting area or 50% of the roof area must be covered in a green roof.
- (B) Green roofs must be built to the Vegetated ("Green") Roof Performance Standards in Appendix W of the Environmental Criteria Manual.
 - a. The percent of vegetated roof cover is calculated as a portion of total roof area excluding mechanical equipment, photovoltaic panels, swimming pools or other amenity and recreation areas, and skylights.

13. ***Match Historic Building Scale***

- (A) For developments adjacent to a property that is currently listed as a City of Austin landmark or contributes to a local historic district:
 - a. Developments must include a base with a height that is within 15 feet of the height of the adjacent historic property.
 - b. Any portions of new buildings exceeding the height of the adjacent historic property's building façade by more than 15 feet must step back at least 15 feet from the face of the base façade.

14. ***Preserve Existing Building Facade***

- (A) Projects must preserve a minimum of 75% of the area of the street facing building façade of designated contributing historic properties and properties that meet an age threshold of 45 or more years.

Site Development Regulations Summary

Site development regulations are defined by combining district. The table below outlines site development regulation requirements.

| Site Development Regulations | DDB400 | DDB850 |
|---------------------------------------|---|---|
| Height Bonus | 400' (750' Max) | 850' (1200' Max) |
| Impervious Cover | 100% | 100% |
| Uses | Residential, Transit Supportive ¹ | Residential, Transit Supportive |
| Parking Maximum | 60% of formerly required by Appendix A ² | 60% of formerly required by Appendix A |
| Community Benefits³ | May provide 1 community benefit in exchange of a reduction in required affordable housing | May provide 1 community benefit in exchange of a reduction in required affordable housing |

¹ Transit supportive are listed above in allowed uses

² 80% of formerly required by Appendix A is allowed if that parking is underground

³ See list of community benefits for options

Affordability Requirements

Affordable housing set-aside requirements are defined by combining district. The table below outlines affordability requirements.

| ADDITIONAL HEIGHT BONUS | FEE IN LIEU | ON-SITE UNITS |
|--------------------------|---------------------------------|--|
| +400' (750' Max) | \$10 per bonus area square foot | Rental: 5% at 50% MFI Ownership: 5% of units at 80% MFI |
| +850' (1200' Max) | \$12 per bonus area square foot | Rental: 5% at 50% MFI Ownership: 5% of units at 80% MFI |

Community Benefit Options

A development must provide 100% of its community benefits as on-site affordable housing, or as funding for off-site affordable housing (i.e., fees-in-lieu). A development may reduce the amount of affordable housing it provides by 20% if it provides one of the following:

- Cultural Uses (min. 2,500 SF)
- Austin Energy Green Building 3-Star Rating
- Grocery Store Use (min. 2,500 SF)
- On-Site Improvements for Historic Preservation
- Live Music/Performance Venue (min. 2,500 SF)
- Transit-Supportive Infrastructure

Summary of Proposed Rezoning:

The proposed rezoning will apply the proposed Downtown Density Bonus 400 (DDB400) combining district to the properties shown in Exhibit A. Properties within the DDB400 combining district will be eligible to participate in the voluntary density bonus program. Development using a property's base zone standards will not be impacted by the addition of the DDB400 combining district. The DDB400 combining district will be applied in addition to any existing district or overlays that may already apply to a property. A table of the proposed rezoning is provided in Attachment A.

Staff Recommendation: Recommended.

Overview

Staff recommends the following:

- the creation of the proposed Downtown Density Bonus 400 (DDB400) combining district,
- the creation of the Downtown Density Bonus 850 (DDB850) combining district, and
- the rezoning of properties into the DDB400 combining district.

These changes aim to align development regulations with the goals identified in Council [Resolution 20240718-185](#).

Combining Districts – Boundaries and Height Limits

Staff recommends the creation of the DDB400 and DDB850 combining districts. The DDB400 and DDB850 combining districts will help create high intensity, mixed use development and allow for the tallest buildings in the city to be built. In Phase 1, the applicability area for DDB400 and DDB850 combining districts will follow the boundaries outlined in Exhibit B and share an identically mapped footprint, though their boundaries may be expanded in later phases based on stakeholder feedback and council goals.

In response to Texas Senate Bill 840, which removed Floor-Area Ratio (FAR) limits for multifamily and mixed-use developments, FAR limits will no longer be applied for DDB-participating projects. Only height limits will be considered. This applies to commercial, residential, and mixed-use developments participating in the DDB.

Most parcels in the DDB400 and DDB850 combining districts have Central Business District (CBD) base zoning, allowing developments to reach 350 feet in height by-right. By utilizing DDB400, developments may reach up to 750 feet in height. Currently, there are only two developments downtown with a height greater than 750 feet, so DDB400 is intended to be suitable for future projects that follow the general building heights seen downtown today.

DDB850 is intended to allow for super-tall development in the future. Waterline, Austin's tallest tower, stands at 1,034 feet tall. Waterline is the tallest tower in Texas and ranks among the top 25 tallest towers in the United States. By utilizing DDB850, a site with CBD base zoning could develop up to 1,200 feet. Stakeholders stressed the importance of not limiting potential building heights downtown, and DDB850 is intended to prevent height from being a limiting development factor.

Allowing for intense, mixed-use development will continue to support walkability, transit accessibility, and economic activity downtown.



Examples of representative building heights across downtown

Combining Districts – Development Standards

Staff recommends the site development and building standards of the DDB program’s proposed gatekeeper requirements: compliance with the proposed Urban Design Standards, compliance with the Great Streets streetscape requirements, and a minimum of a 2-star Austin Energy Green Building rating. These requirements continue the urban development strategies that have created more environmentally conscious building design, pedestrian-oriented streetscapes, and transit-supportive densities downtown. Further, staff recommend a maximum of 60% of previously required parking spaces, or 80% maximum if the project’s additional parking is located underground. Analysis indicates that roughly two-thirds of developments have provided less than the described 60% threshold. This indicates that most projects will likely have their parking needs met by the proposed allowance, and this change could support an increase in the use of other transit modalities like biking or public transport.

Combining Districts – Community Benefits and Affordability

Staff recommends amending the current list of community benefit options to address Council’s direction for simplification of the program to maximize participation. A development must provide 100% of its community benefits as on-site affordable housing or funding for off-site affordable housing (i.e., fees-in-lieu). A development may reduce the amount of affordable housing it provides by up to 2% of the required on-site units and up to 20% of the required fee-in-lieu if it provides one of the following:

- Cultural Uses (min. 2,500 SF)
- Austin Energy Green Building 3-Star Rating
- Grocery Store Use (min. 2,500 SF)
- On-Site Improvements for Historic Preservation

- Live Music/Performance Venue (min. 2,500 SF)
- Transit-Supportive Infrastructure

This updated list includes new benefits which were added after stakeholder feedback throughout our early engagement. These new benefits include a grocery store use and transit-supportive infrastructure. The list also continues to include community benefits that have been used by participating developments in the current program.

If a participating development chooses to provide on-site affordable units, 5% of the units must be provided at 50% Median Family Income (MFI) for rental units or 80% MFI for ownership units. To calibrate the affordable housing fees-in-lieu, staff contracted with Economic & Planning Systems (EPS) to ensure that the requirements maximize the amount of affordable housing in absolute terms and provide community benefits within the district. Staff supports the findings by EPS, which indicate that, while neither market rate nor incentivized development pencils under current market conditions, the proposed fees-in-lieu will continue to incentivize participation in the density bonus program when market conditions improve. Adjustments to the fee-in-lieu requirements will continue to be calibrated on an annual basis to reflect market conditions and other relevant factors.

Lease and Redevelopment Requirements

Staff supports the protection of tenants in existing multifamily developments by including requirements for the redevelopment of existing residential units and certain commercial uses, as well as requirements for tenant notification and relocation benefits. Staff also supports the requirement that affordable units will be dispersed across a development to maintain equal access to amenities for all residents.

Board and Commission Action:

April 29, 2026 – Considered by the Codes and Ordinances Joint Committee. No recommendation was made.

May 12, 2026 – To be considered by the Planning Commission.

Council Action:

May 28, 2026 – To be considered by City Council.

Sponsor Department:

Austin Planning

City Staff:

Alan Pani, Planner Principal, Austin Planning, Alan.Pani@austintexas.gov, (512) 974-8084

Attachments and Exhibits:

Attachment A: Applicability of Proposed Rezoning to DDB400

Attachment B: Downtown Density Bonus Existing Program Analysis

Attachment C: Downtown Parks Overlay

Exhibit A: Downtown Density Bonus Phase 1 Amendment Area

Exhibit B: Downtown Density Bonus Combining District Applicability (Phase 1)

Attachment A: Applicability of Proposed Rezoning to DDB400

The proposed rezoning would apply the DDB400 combining district to properties shown in Exhibit A. Additional subdistricts and combining districts will be created and mapped in Phase 2. The DDB400 combining district will apply in addition to any combining districts or overlays that may already apply to the property and may modify certain regulations of each applicable combining district or overlay.

DDB combining district regulations will continue to supersede the Capitol Dominance Overlay, Equitable Transit-Oriented Development Density Bonus (DBETOD) Overlay, and Waterfront Overlay.

| From (Existing Zoning) | To (Zoning Under the Proposal) |
|-------------------------------|---------------------------------------|
| CBD | CBD-DDB400 |
| CBD-CO | CBD-CO-DDB400 |
| CBD-CURE | CBD-CURE-DDB400 |
| CBD-CURE-CO | CBD-CURE-CO-DDB400 |
| CBD-ETOD-DBETOD | CBD-ETOD-DBETOD-DDB400 |
| CBD-H | CBD-H-DDB400 |
| CBD-H-CURE | CBD-H-CURE-DDB400 |
| CBD-H-ETOD-DBETOD | CBD-H-ETOD-DBETOD-DDB400 |
| CS | CS-DDB400 |
| DMU | DMU-DDB400 |
| DMU-CO | DMU-CO-DDB400 |
| GR-H | GR-H-DDB400 |
| MF-4 | MF-4-DDB400 |
| P | P-DDB400 |
| P-H | P-H-DDB400 |
| UNZ | UNZ |

Attachment B: Downtown Density Bonus Existing Program Analysis

Staff and consultants studied participation in the Downtown Density Bonus (DDB) program and the Rainey Street Density Bonus program, including participation rates and components of building design including height and parking ratio. The findings from this analysis are described below and were used to inform modifications to the program requirements and incentives.

Participation

The majority of eligible projects have participated in the DDB and Rainey Street programs. Rainey Street has a slightly higher participation rate at 62% than the DDB program at 53%. Participation in the program depends on several factors, including uses in the developments, desired project scale, other previous programs for increased development, such as CURE, superseding regulations like Capitol View Corridors, and age of existing structures on sites.

| Projects in the DDB-eligible Area | | | |
|--|----------------------|-------------------------|--------------------|
| | Eligible for Program | Participated in Program | Participation Rate |
| Downtown Density Bonus (DDB) | 45 | 24 | 53% |
| Rainey Street Density Bonus | 13 | 8 | 62% |

Source: Comprehensive Density Bonus Analysis (City of Austin and Economic & Planning Systems, 2024).

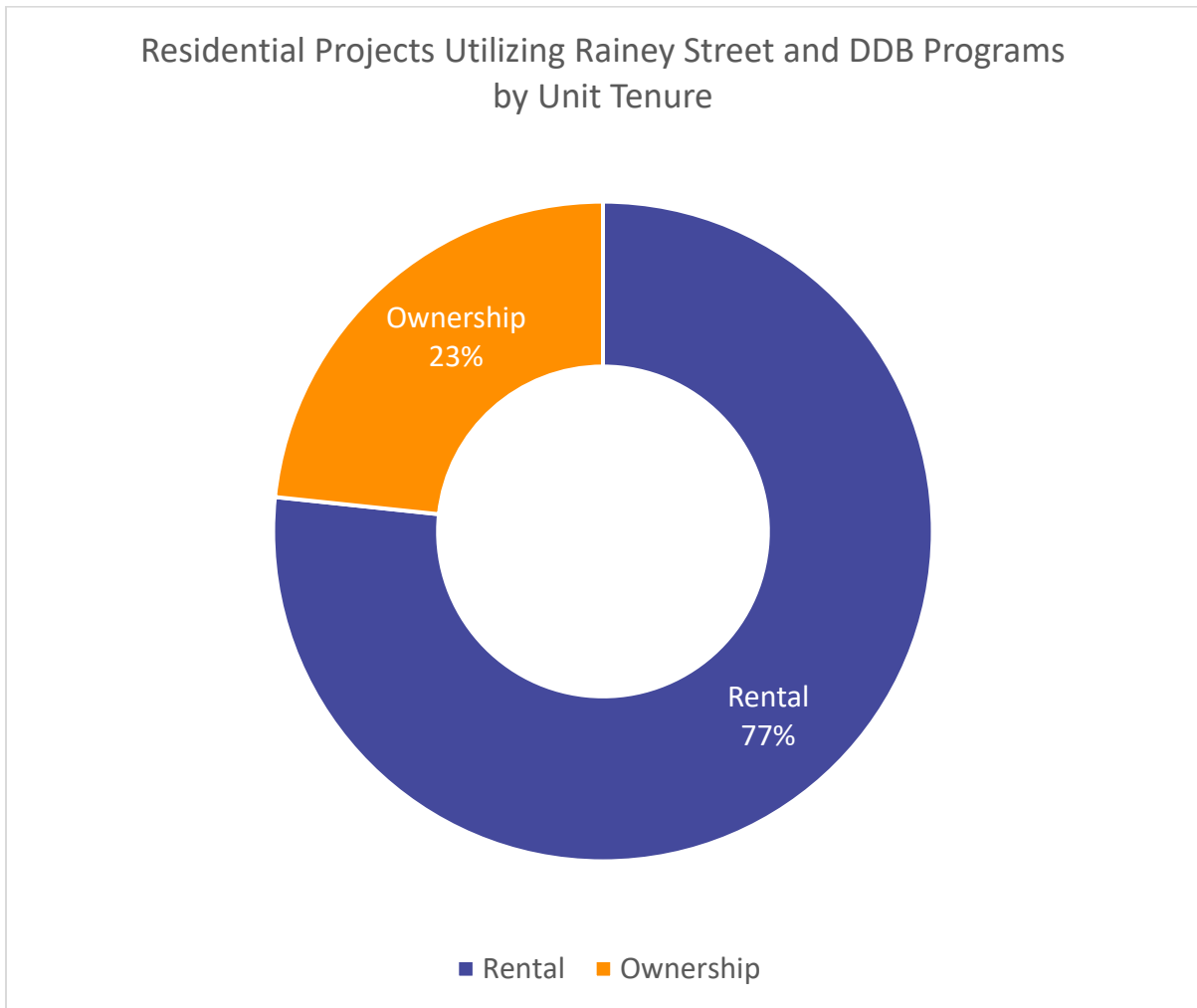
However, in contrast, over 90% of the housing units produced downtown have been via the Rainey Street and Downtown Density Bonus. The high utilization rates point to the attractiveness of these programs for residential and mixed-use projects. In total, over 9,000 housing units are completed or under construction using the DDB and Rainey Street programs, according to the Affordable Housing Inventory. Note the table below only includes built/completed units.

| Residential Units Built in the DDB-eligible Area | | | |
|---|----------------------|-------------------------|--------------------|
| | Eligible for Program | Participated in Program | Participation Rate |
| Downtown Density Bonus (DDB) | 3,874 | 3,470 | 90% |
| Rainey Street Density Bonus | 2,205 | 2,203 | 100% |

Source: Comprehensive Density Bonus Analysis (City of Austin and Economic & Planning Systems, 2024).

Housing Tenure

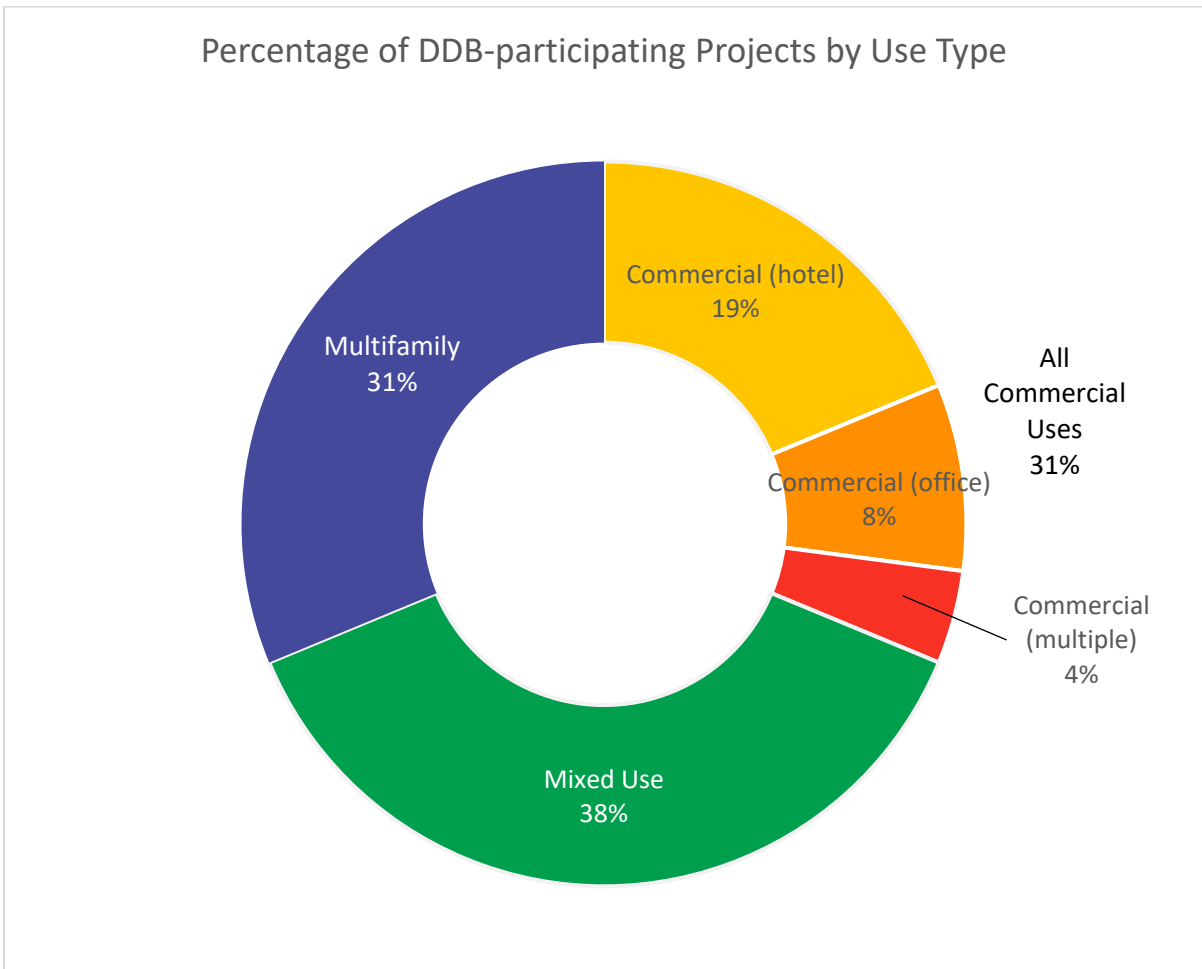
As mentioned previously, the DDB and Rainey Street programs have resulted in over 9,000 completed and planned housing units. Of projects using the DDB and Rainey Street programs, about 77% are rental projects and about 23% are ownership projects. Ownership projects are typically condominium towers.



Source: City of Austin Affordable Housing Inventory (February 2026). Includes built and planned projects.

Project Use Types

The DDB and Rainey Street programs have produced a variety of project types. CBD and DMU zoned parcels make up most DDB project sites and allow for a variety of uses. Mixed-use projects (those containing both residential and commercial uses) are most common, making up 38% of projects. Projects with exclusively multifamily and exclusively commercial uses each make up 31% of projects. Of exclusively commercial projects, hotels are most common at 19% of projects, followed by office buildings at 8%, and commercial buildings with multiple commercial uses (e.g., buildings with both retail and office spaces) at 4%. The diverse array of use types highlights the success of the DDB program in promoting a range of developments.

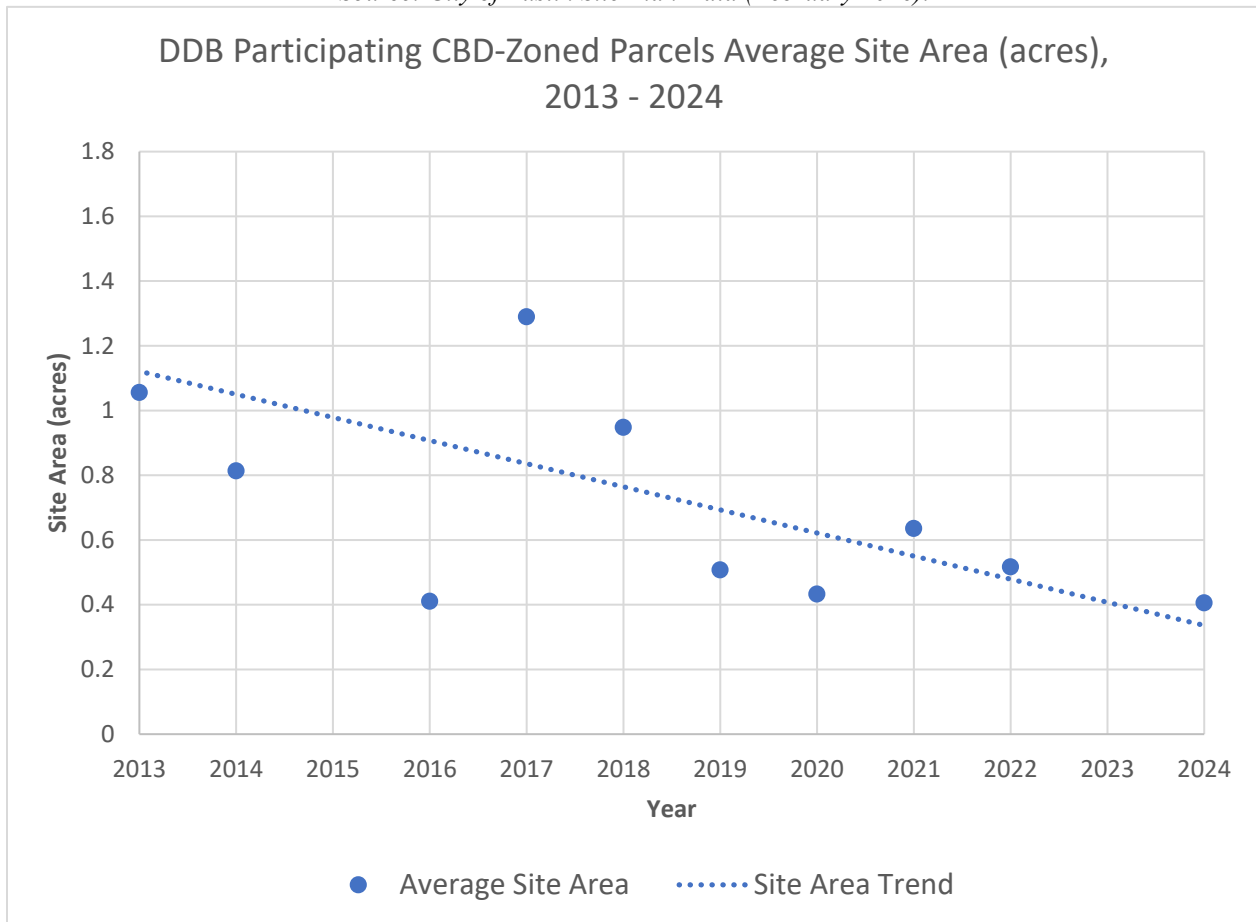


Source: City of Austin Building Permits (February 2026).

Site Area

While there are several base zoning districts within the Downtown Density Bonus area, most sites participating in the program are zoned Central Business District (CBD). Site areas for new projects downtown have been decreasing over time as most larger sites have been developed. Remaining developable sites are mostly below 0.5 acres, with the most recently developed site measuring 0.4 acres in area. Building heights have increased as developable site area has decreased, as discussed in the following section.

Source: City of Austin Site Plan Data (February 2026).



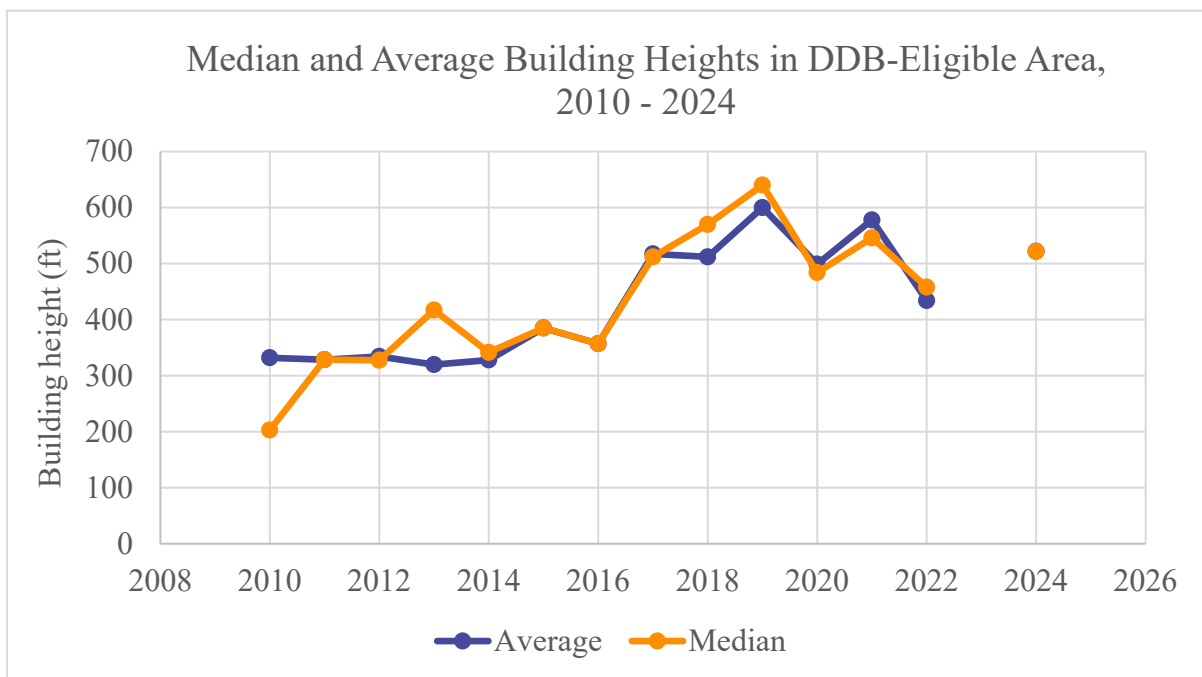
Building Design

The Downtown Density Bonus program is designed to encourage high-density development downtown, with an interest in creating a walkable, high-quality built environment. To evaluate and enhance the program’s effectiveness, staff analyzed several design components, including building height, parking ratios, and green building rating. Additionally, staff analyzed the Urban Design Guidelines and Great Streets Standards. While these mainly focus on streetscape design, they do affect some building frontage conditions. Each of these factors influences the livability, appeal, and functionality of the area for residents, developers, and visitors of the area.

Building Height

One of the primary incentives for participation in the DDB program is to increase a building’s achievable height. The maximum building height a development can achieve through the current program is generally based on a parcel’s location in the current program’s [Eligibility, Floor-to-Area Ratio \(FAR\), and Height Map \(Figure 2\)](#). The exception is if a development seeks additional height above what is prescribed by the map, in which case city council may grant additional height if the development offers more community benefits than the program requires. This approval process encourages growth and densification downtown, while still ensuring developments are reviewed and are the appropriate size for their context.

Downtown has experienced significant growth over the last several years, with the heights of buildings steadily increasing due to building trends, improved construction technology, and maximizing leasable space on smaller sites as the area densifies. Staff analyzed building heights in the DDB-Eligible Area that are zoned Central Business District (CBD) and found a steady increase in average building heights, with new developments generally rising above 400 ft after 2017.



Source: City of Austin, Building Permit data 2008-Present.

Only 3 buildings have been built to over 700 ft: The Republic, at a height of 707 ft; Sixth and Guadalupe, at 839 ft; and at the time of this report, The Waterline is nearing completion at a height of 1,034 ft. The average building heights found in the DDB-Eligible Area, as well as the substantial heights of recent developments, were used to inform the additional height entitlements proposed in this phase of the DDB Update.

Parking Ratio

Staff analyzed parking data in site plans submitted since 2012 for parcels zoned Central Business (CBD) District or Downtown Mixed-Use (DMU) within the DDB-Eligible Area. Parking regulations for CBD have changed throughout the years, and currently, developments are allowed to reach a maximum of 40% of the number of parking spaces previously required by [Appendix A](#). This maximum allowance can increase to 80-100% if a development only provides parking within a parking garage and meets other specific conditions, such as provided underground parking. Staff analyzed the amount of parking provided against the City's previous parking requirements of 60%, similar to the analysis conducted for a recent code amendment to impose maximum parking requirements within Austin's downtown. The formerly required parking ratio provides a useful benchmark from which provided parking can be analyzed. Staff found that, on average, developments provided only 51% of the parking that would have been required of a typical development. Additionally, only a third of developments exceeded the 60% parking maximum, signaling to staff that most developments can operate with lower parking thresholds.

Community Benefit Options

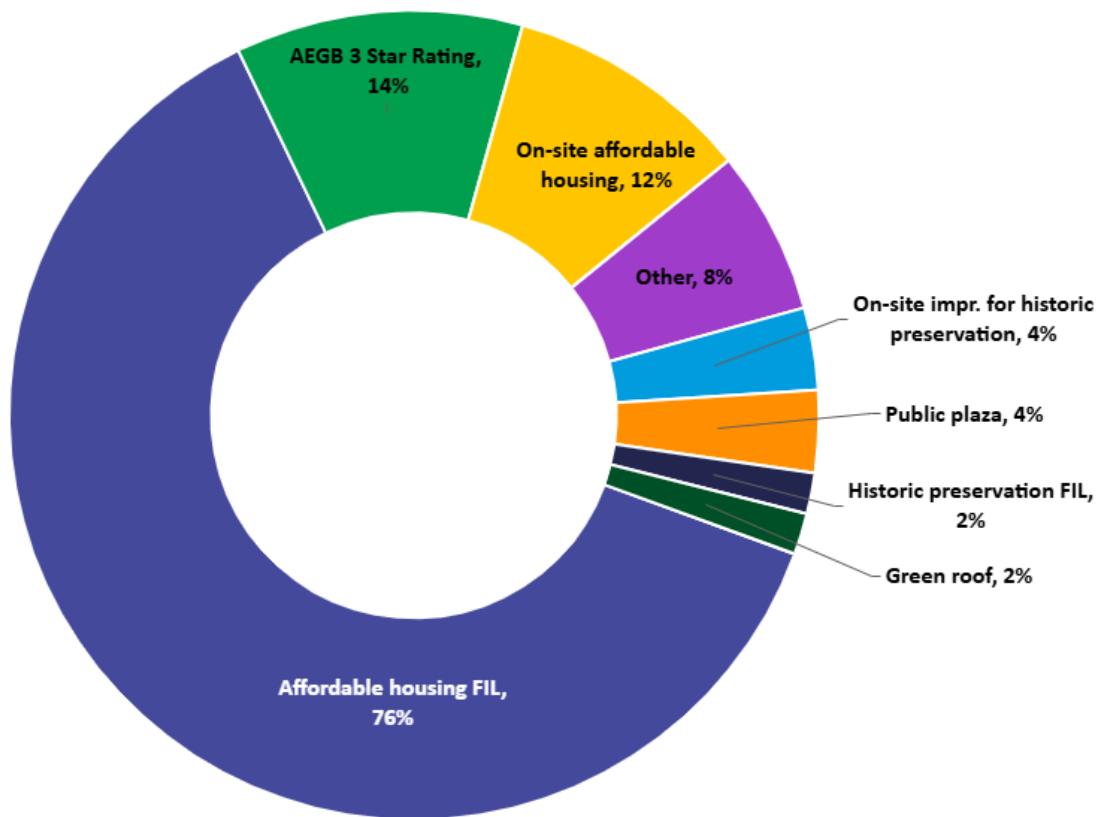
The Downtown Density Bonus program offers developments the option of obtaining greater height entitlements through the provision of one of more community benefits, which are public amenities that exceed the program's gatekeeper requirements. The community benefits that a development can currently choose to provide are:

- On-Site Affordable Housing
- Funding for Off-Site Affordable Housing (i.e., fees-in-lieu)
- Historic Preservation
- Day Care Services
- Cultural Uses (e.g., theatres, galleries, museums)
- Live Music Use
- Transit-Supportive Infrastructure (e.g., space for a Traction Powered Substation)
- Climate Resilience Building Standards and Green Infrastructure (e.g., three-star AEGB rating or higher, green roofs, rain gardens, etc.)
- Publicly Accessible On-Site Plazas
- Funding for Off-Site Parks

Fifty projects have provided community benefits, with some developments providing multiple benefits, shown in the chart below. Thirty-eight developments chose to pay affordable housing fees-in-lieu (FIL) as their community benefit, generating over \$13 million for the Affordable Housing Trust Fund and making up ~40% of the total FIL generated by all

the City’s Density Bonus programs. Seven projects achieved a 3-star Austin Energy Green Building (AEGB) rating, exceeding the DDB program’s gatekeeper requirement of a 2-star rating, and six projects provided on-site affordable housing. The remaining projects opted for historic preservation efforts, creation of a public plaza, building a green roof, or the provision of other amenities. No projects offered day care services, cultural uses, live music uses, or family-friendly housing. In staff’s analysis, these benefits weren’t favored by developments due to uncertainty that these businesses could be sustained long-term – simpler benefits like FIL or sustainable design were easier to plan for and therefore used more often.

Community Benefits Utilization
(% of DDB Participating Projects Offering Benefits)



Source: City of Austin, Site Plan data 2013-Present.

Attachment C: Downtown Parks Overlay

The purpose of the Downtown Parks Overlay is to enhance pedestrian use and vitality of downtown parks and to establish a unique urban design identity associated with the public open spaces. The Downtown Park Overlay applies to properties zoned CBD and DMU that are within 60 feet of the right-of-way surrounding Republic Square, Brush Square and Wooldridge Square. It requires at least one entrance facing the park, specific visible transmittance on glass used on the first floor of buildings, and it limit buildings heights to 120 feet.

Benefits of the Downtown Parks Overlay

The Downtown Parks Overlay provides a number of benefits to the public, including the following:

- Height limits preserve sunlight and reduce shading on parkland, helping protect mature and heritage trees and supporting surrounding ecosystems.
- By limiting building mass near parks, the overlay maintains openness and comfort, preventing parks from feeling enclosed by tall structures. This supports citywide and Austin Parks Long Range Plan goals (e.g., Relief from Urban Life) and supports downtown parks as prominent human-scaled civic spaces rather than residual areas between dense development.
- Entrance requirements ensure that buildings face and interact with parks, improving safety, visibility, and user experience.
- Restrictions on reflective materials help reduce glare and heat buildup, improving comfort for park users.

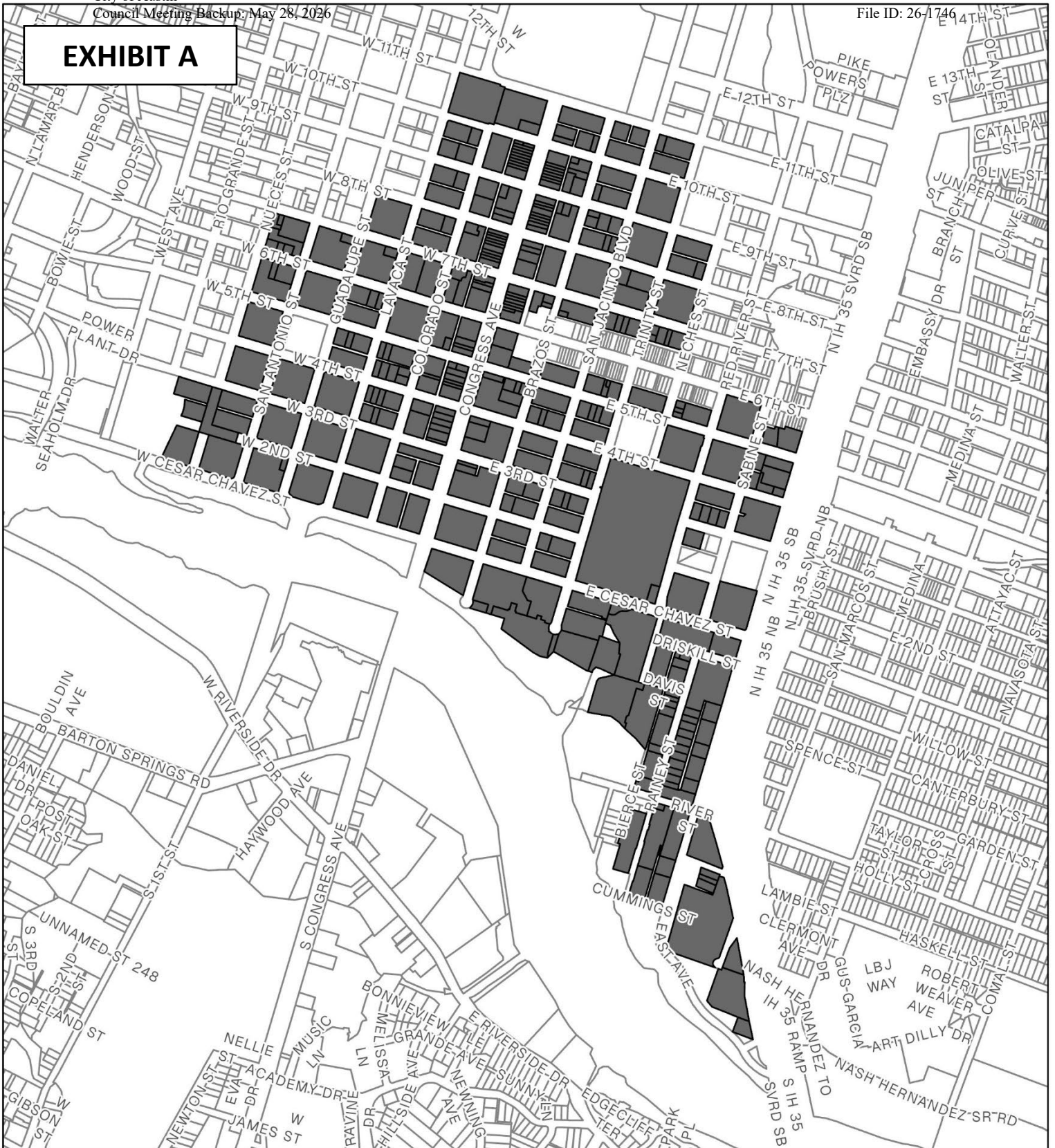
Potential Impacts of Waiving the Downtown Parks Overlay

Waiving the overlay for Downtown Density Bonus projects would reduce key protections and may result in:

- Increased shading and stress on trees and landscapes, resulting in the potential loss of invaluable heritage trees
- “Canyon effect” around the parks
- Loss of human-scale environments
- More inactive building edges facing parks
- Potential issues with glare from buildings

Due to the potential impacts on the quality of our parks, staff is not recommending to allow projects participating in the Downtown Density Bonus program to exceed the height limits and other requirements established by the Downtown Parks Overlay as part of this phase of work.

EXHIBIT A



Downtown Density Bonus Phase 1 Amendment Area Case: C20-2024-018

 Subject Tracts



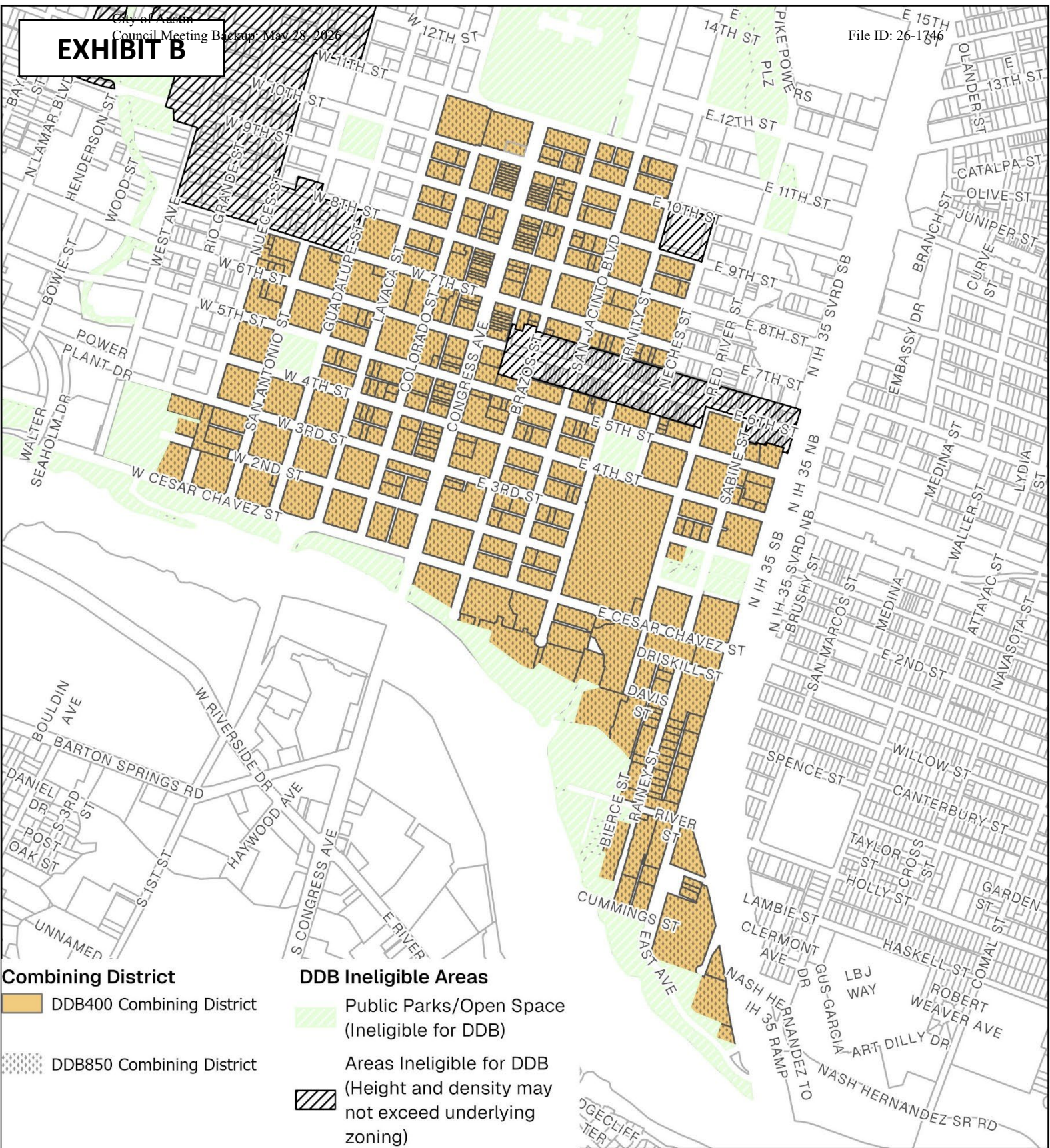
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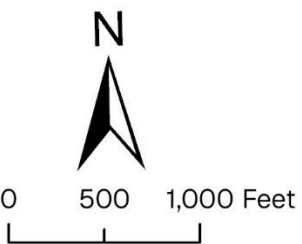
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EXHIBIT B



- | | |
|---------------------------|--|
| Combining District | DDB Ineligible Areas |
| DDB400 Combining District | Public Parks/Open Space (Ineligible for DDB) |
| DDB850 Combining District | Areas Ineligible for DDB (Height and density may not exceed underlying zoning) |

Downtown Density Bonus (DDB) Combining Districts Applicability (Phase 1)



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