

South Central Waterfront Combining District (SCW) and Density Bonus Program (DBSCW) – Staff Response to Planning Commission Recommendations

Motion #	Planning Commission Recommendation	Staff Recommendation	Rationale
Text Amendment to the SCW and DBSCW			
<p>1</p>	<p>The total fee amount associated with this Bonus Program will be divided into Fees-in Lieu for different amenities or infrastructure at the following rates:</p> <p>A. At least 60% of the fee will be allocated to the Housing Trust Fund Fee-in-Lieu.</p> <p>B. Up to 40% of the fee will be allocated to the Parks Fee-in-Lieu and Infrastructure and Community Impact Benefits Fee-in-Lieu.</p>	<p>Not recommended.</p>	<p>The Planning Commission recommendation would reduce the dollars collected for 1) parks, and 2) infrastructure and community impact benefits.</p> <p>In 2022, <i>in part</i>, Council asked staff to create a SCW program that:</p> <ul style="list-style-type: none"> • Maximizes the number of affordable housing units within and nearby the District; • Maximizes infrastructure investments, such as for new streets, parks, bicycle infrastructure and trails; • Maximizes other community benefits; • Ensure enhanced environmental standards and protections; • Supports the Project Connect transit investment the community is making; and • Helps create a connected, pedestrian-oriented, mixed use district where thousands more Austinites can live, work, and play. <p>There has been strong public support of parks and other open spaces within the SCW district. Staff does not recommend that the percentage of in-lieu fees for parks be decreased.</p> <p>Staff has kept the text in the draft DBSCW to divide the fees-in-lieu into thirds for the following community benefits for affordable housing, parks, and the infrastructure and community impact benefits fee-in-lieu.</p>
<p>2</p>	<p>Ensure that the South Central Waterfront Advisory Board (SCWAB) continues to serve as an advisory body offering review of future projects and implementation of the South Central Waterfront vision.</p>	<p>No action required.</p> <p>This pertains to the by-laws of various boards and commissions, outside of the zoning code for which SCW and DBSCW is brought to Council.</p>	<p>Staff agree that a body to provide recommendations on build out to fulfill the intent of the vision plan could be beneficial.</p> <p>This decision lives outside of the scope of the SCW zoning code amendment, it is a policy decision.</p>

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3	<p>Amend 3.5.2. (A) Floor-to-Area Ratio Calculation for Structured Parking should be amended as follows.</p> <p>Above-ground structured parking shall be counted towards the overall floor-to-area ratio calculation.</p>	<p>Not recommended.</p>	<p>Removal of base parking entitlement is not recommended by staff. We encourage a “soft” parking cap to avoid penalizing property owners for a parking entitlement they would have access to under base zoning.</p>
Text Amendment to the SCW and DBSCW			
4	<p>Modify Section 4.4</p> <p>From:</p> <p>4.4 Internal Circulation Routes</p> <p>All internal circulation routes described in Section 3.5.1 (Density Distribution Areas) shall have a</p> <p>minimum 15 foot width with either:</p> <ul style="list-style-type: none"> - Figure 4.1 – minimum 10 foot clear zone - Figures 4.2 - 4.4 – 5 foot minimum clear zone on each side - Commensurate text for Figures 4.1 - 4.4. 	<p>To (adjustments in red):</p> <p>4.4 Internal Circulation Routes</p> <p>A. Remove the following language: All internal circulation routes described in Section 3.5.1 (Density Distribution Areas) shall have a minimum 15-foot width with either:</p> <p>B. Figure 4.1 – Expand clear zone 15 feet.</p> <p>C. Figure 4.2 - 4.4 – Expand the clear zone to 7.5 feet* on each side.</p> <p>D. Make commensurate text amendments.</p> <p><i>*Note: Planning Commission also discussed concern about ADA compliance for Internal Circulation Routes and doorways. Following internal review, for ADA compliance purposes, staff adjusted 7.5 to 8 feet in Planning Commission version of document.</i></p>	
Staff Recommendation		Rationale	
<p>Included, with changes.</p> <ul style="list-style-type: none"> - Modify clear zone minimum to 8-feet as proposed by Planning Commission amendment for Options 2-4. - Keep initial language suggested to be struck in section 4.4 by Planning Commission but expand minimum width of Internal Circulation Routes from 15 to 20 feet. - Additionally, for Option 3, change ‘planting zone’ to ‘rain garden’. - Additionally, for Options 2 and 4, add clarification on planting zone shade tree requirements. 		<p>Staff agrees with the Planning Commission’s recommendation that clear zone minimum standards for all options should be expanded to achieve the goal of, “require[ing] developers to go above and beyond the sort of traditional development model and really encourage walking, biking, and being outdoors.”</p> <p>Staff suggest a minimum standard be set through the 20 foot minimum width (rather than eliminating the minimum standard as proposed by Planning Commission), with the four subsequent options providing more clarification on how that 20+ foot width may be achieved.</p> <p>To support strong urban design principals for multi-modal travel and provide effective shade, staff modified options 3, and 2 & 4, respectively.</p>	

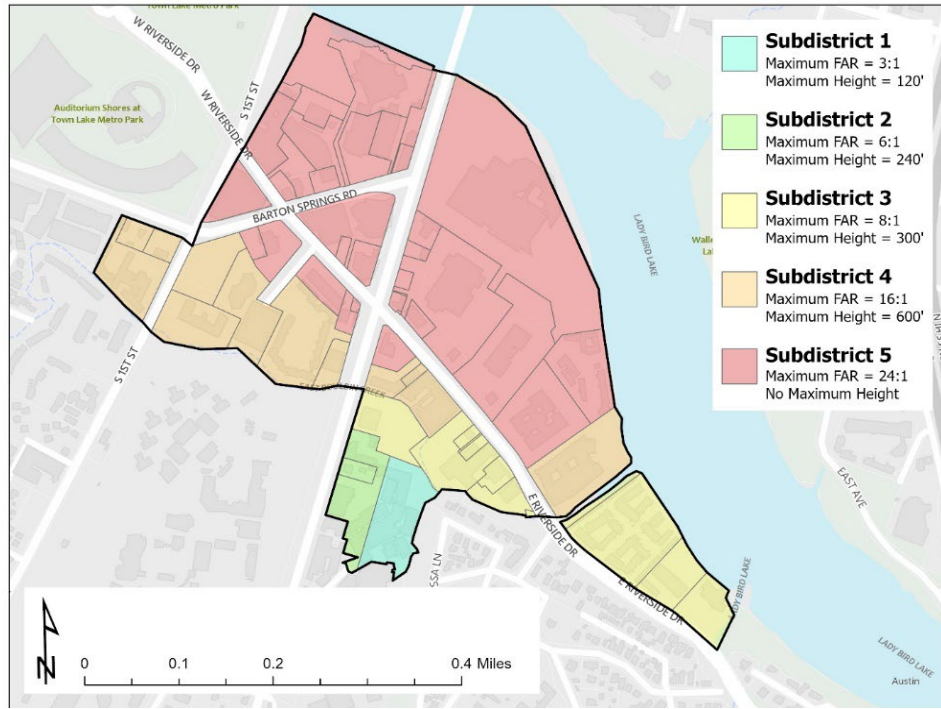
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Motion # Planning Commission Recommendation

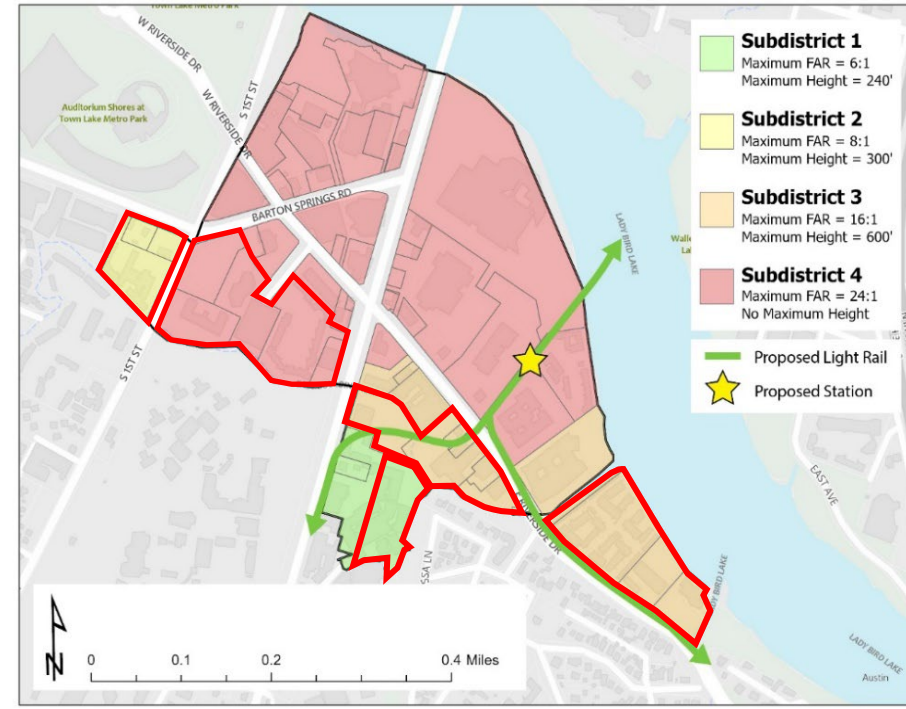
Text Amendment to the SCW and DBSCW

Modify Figure 3.2: SCW Subdistrict and Floor-to-Area Ratio Map

From:



To (adjustments outlined in red):



5

Staff Recommendation

Included.

Rationale

These adjustments maintain a transition from downtown to the south, east and west. Feedback from community has identified the desire for,

1. A consistent FAR south that supports potential development in that area based on various constraints, including the Project Connect alignment, and
2. A lower density to the west. This proposal accomplishes both.

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Motion #	Planning Commission Recommendation	Staff Recommendation	Rationale
Amending Title 4 – Business Regulations and Permit Requirements, Chapter 4-18 General Permitting Standards			
6	<p>If appropriate and possible, include an adapted rental multifamily redevelopment requirement within the South Central Waterfront district that includes the following:</p> <ul style="list-style-type: none"> A. Replace all existing units that were affordable to a household earning 60 percent MFI or below in the previous 12 months and have at least as many bedrooms as those units. B. Provide current tenants with notice and information about the proposed development on a form approved by the Housing Director and allow tenants to terminate leases without penalty during the period for which notification is provided. C. Provide current tenants with relocation benefits that allow for tenant stabilization. D. Grant current tenants the option to lease a unit of comparable affordability and size following completion of redevelopment in a manner approved by the Housing director. E. Create a process by which these requirements can be waived or appealed in special circumstances, for example when the existing multi-family structure requires extensive repairs. F. Include or amend considerations for this requirement to align with the requirements being considered for other bonus programs. 	Included.	<p>DBSCW will be subject to Chapter 4-18 Article 2 Density Bonus and Incentive Programs which would generally align with A, C, D, and E. As for B, the City does not require developments to allow tenants to terminate leases without penalty and there could be legal concerns with this approach.</p>

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Motion #	Planning Commission Action	Staff Recommendation	Rationale
Expand Downtown Density Bonus Program into the SCW District instead of the SCWDB and DBSCW			
<p>7</p>	<p>Strike all the requirements for density bonus within the South Central Waterfront and replace with Section 25-2-586 Part I of existing code (Downtown density bonus program), taking out references that may not be pertinent such as Rainey Street related provisions and live music provisions. (exact wording to be shared by Commissioner Haynes)</p>	<p>Not recommended.</p> <p>The Downtown Density Bonus Program does not achieve the community benefits desired by community and Council for SCW.</p> <p>For a detailed comparison of the two programs, see Appendix A.</p>	<p>Council directed staff to create a code that focuses on:</p> <ul style="list-style-type: none"> • Creating affordable housing, infrastructure, and other community benefits • Protecting the environment • Supporting Project Connect • Creating a vibrant place where thousands of people can live, work, and play. <p>The South Central Waterfront Density Bonus Program is calibrated to the unique lot sizes and shapes in the district, accounts for non-existing infrastructure that will need to be developed, and the community’s vision for onsite affordable housing and open space and parks. To accommodate a wide variety of lot sizes and to initiate community benefits early in development, community benefits for South Central Waterfront start at 2:1 FAR.</p> <p>South Central Waterfront Density Bonus Program:</p> <ul style="list-style-type: none"> • Requires onsite affordable rental housing at 60% MFI (rental); and if providing affordable ownership, at 80% MFI, • Requires publicly accessible open space, • Provides density bonus through additional fees-in-lieu for affordable housing, parks, and community benefits and infrastructure (fees geographically constrained in and around the South Central Waterfront), • Requires streetscape and built environment standards calibrated to varied lot sizes and shapes by introducing the concept of the Density Distribution Areas that cannot exceed the size of a downtown block, • Requires LEED 2 Star Green Building • Onsite community benefit options: <ul style="list-style-type: none"> - Affordable creative space - Park buildout - Grocery store - Public art - Other community benefits - Open space (exceeding requirement) - Market Rate & Affordable Childcare / Adult Care - Transit supportive infrastructure - Music venue

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7
cont'd

The Downtown Density Bonus (DDB) program is not calibrated to the varied parcel sizes and irregular parcel configurations in the SCW District. It allows development to achieve greater height and density in exchange for providing enhanced building standards, streetscape features, and community benefits. Unlike the DBSCW, the DDB does not require onsite affordable units or open space.

Downtown Density Bonus Program achieves:

- Housing fee-in-lieu
 - No onsite affordable housing requirement, but if provided, rental at 80% MFI or below, and ownership at 120% MFI or below
- Required LEED 2 Star Green Building
- Substantial compliance with the Urban Design Guidelines
- Infrastructure, streetscape and built environment requirements:
 - Requirements tailored to downtown block existing configuration (through Great Streets)
- Onsite community benefit options:
 - Day care (market rate)
 - Live music
 - Green building (AEGB or LEED)
 - Off-Site open space
 - Other community benefits
 - Cultural venue
 - Historic preservation benefit
 - Publicly accessible on-site plaza
 - Green roof

Downtown Density Bonus Program does not:

- Require onsite affordable housing,
- Require open space,
- Provide additional fees for parks and community supportive infrastructure,
- Have calibration for varied lot sizes and shapes like those of SCW to support the creation of a pedestrian-oriented environment,
- Have geographic boundaries for where to spend the fees-in-lieu generated, or

Achieve the diversity of other community benefits to achieve Council’s vision for the South Central Waterfront as set forth by the [SCW Vision Framework](#) or [Resolution Number 20220915-090](#).

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Motion #	Planning Commission Action	Staff Recommendation	Rationale
Transportation Policy Recommendations			
8	Prioritize in the Transportation and Project Connect section that South Central Waterfront requires the rail bridge crossing Ladybird Lake to be extended across Riverside Drive to eliminate at-grade crossings.	<p>Not included.</p> <p>This pertains to issues outside of the zoning code for which SCW and DBSCW is brought to Council.</p>	Austin Transit Partnership (ATP) is currently developing the elevated and at-grade options for this portion of E. Riverside Drive, which will be available for public review under the NEPA process in late 2024. Following the public comment period, ATP and City staff will continue to collaborate as the preferred option for this area is identified.
9	Create a parking and transportation management district in the SCW District.	<p>Not included.</p> <p>This pertains to issues outside of the zoning code for which SCW and DBSCW is brought to Council.</p>	A transportation management district was identified in the 2016 Vision Framework Plan for South Central Waterfront. However, this is beyond the scope of the zoning code amendment and staff has not reviewed the full need or resources required to accomplish the idea as it pertains to South Central Waterfront.

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Motion #	Planning Commission Action	Staff Recommendation	Rationale
10	Ensure that City of Austin planning documents include the critical mobility infrastructure elements that may be created to meet the bonus requirements for Improved Streetscape and Built Environment, the In-Lieu Fees and Dedications, and On-site Community Benefits.	<p>Not included.</p> <p>This pertains to areas outside of the zoning code for which SCW and DBSCW is brought to Council.</p>	Staff is not opposed to the concept generally as planning consistency is essential in planning efforts. However, this is beyond the scope of the zoning code amendment and staff has not reviewed the full need or resources required to accomplish the idea as it pertains to South Central Waterfront.
11	<p>Include the following requirements in the South Central Waterfront affordable housing bonus and fee-in-lieu requirements.</p> <p>Create a buy-down provision so that the City reserves the right to subsidize on-site affordable residential units in a development participating in the bonus to further reduce the rent and meet community needs around deeper affordability.</p>	<p>Underway; no additional direction needed.</p>	The City currently has several programs to increase affordable housing in the district, including the right to subsidize on-site affordable residential units in a development participating in the bonus program to further reduce the rent and meet community needs around deeper affordability.

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<p>12</p>	<p>Prioritize the following two as a part of the affordable housing fee-in-lieu:</p> <ul style="list-style-type: none"> A. The preservation of affordable housing B. Expenditure of funds to support homelessness initiatives in a manner similar to the current utilization of the Downtown Density Bonus fee. 	<p>Included.</p>	<p>Staff recommends incorporating this language aligned with the approach in other codes.</p>
<p>Housing Investment Policy Recommendations</p>			
<p>13</p>	<p>Permit 30% of the bonus fee-in-lieu to be used for on-site condos, either through city intervention or through a mechanism similar to other bonuses.</p>	<p>Not Recommended.</p>	<p>The Housing Department has identified barriers to securing long-term affordability and stability for low-income homeowners in income-restricted units in market rate developments, mostly condominiums. These include increases in homeowner/condominium association fees, condominium assessments, and rising property taxes.</p> <p>Based on this, staff recommends collecting fees in-lieu of onsite income-restricted units within for-sale developments and directing these fees towards long-term affordable homeownership projects through the Ownership Housing Development Assistance (OHDA) program and Community Land Trusts.</p>

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Appendix A – South Central Waterfront Density Bonus Program Compared with Downtown Density Bonus Program

Council-Directed Community Benefit for South Central Waterfront	Downtown Density Bonus Program	South Central Waterfront Density Bonus Program
<p>Maximize affordable housing units within and nearby the District</p>	<p>Required onsite None</p> <p>Optional onsite</p> <ul style="list-style-type: none"> - Rental or ownership: <ul style="list-style-type: none"> o rental at 80% MFI o ownership at 120% MFI; or - Family-friendly housing <p>or</p> <p>Fee-in-lieu</p> <p>For rental and ownership options</p> <ul style="list-style-type: none"> - Commercial with Residential fees <ul style="list-style-type: none"> o CBD Zoning other districts than Rainey - \$12 per bonus sq ft o Zoning other than CBD or Rainey - \$10 per gross bonus sq ft o Rainey District - \$5 per gross bonus sq ft o Other Subdistricts - \$3 per gross bonus sq ft - Commercial Only fees <ul style="list-style-type: none"> o CBD zoning - \$9 per gross sq. ft. bonus area o Other than CBD – All Districts - \$6 per gross sq. ft. bonus area 	<p>Required onsite Rental</p> <ul style="list-style-type: none"> • 5% of units for 3:1 FAR at 60% MFI <p>Optional onsite Ownership</p> <ul style="list-style-type: none"> • 5% of units for 3:1 FAR at 80% MFI, or <p>Fee-in-lieu equivalent for ownership units for 3:1 FAR</p> <ul style="list-style-type: none"> • Ownership only • New higher fee intended to represent the cost of building the unit <p>Development Bonus Fee (above 3:1 FAR)</p> <ul style="list-style-type: none"> - Ownership <p>Fee-in-Lieu (Additional Development Bonus) Affordable housing fee within South Central Austin area</p> <ul style="list-style-type: none"> • Residential fees - \$5 per gross bonus sq ft • Commercial fees - \$9 per gross bonus sq ft <p>Additional onsite affordable housing reduces fees</p>

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Council-Directed Community Benefit for South Central Waterfront	Downtown Density Bonus Program	South Central Waterfront Density Bonus Program															
<p>- Maximizes infrastructure investments such as for new streets, parks, bicycles infrastructure and trails</p>	<p><u>Open Space & Parkland</u></p> <p>Required None</p> <p>Density bonus</p> <ul style="list-style-type: none"> Publicly accessible on-site plaza Off-site open space fee <p><u>Infrastructure, streetscape and built environment standards</u></p> <p>Required</p> <ul style="list-style-type: none"> Designed for downtown block configuration via Great Streets Streetscape and built environment standards through Great Streets program 	<p><u>Open Space & Parkland</u></p> <p>Required</p> <ul style="list-style-type: none"> 5% publicly accessible open space <p>Density bonus</p> <ul style="list-style-type: none"> Surpass publicly accessible open space requirement Parkland buildout Parks fee <ul style="list-style-type: none"> Onsite parkland dedication reduces fees <p><u>Infrastructure, streetscape and built environment standards</u></p> <p>Required</p> <ul style="list-style-type: none"> Designed for variability of SCW parcel sizes and shapes via Density Distribution Areas Streetscape and built environment standards through applicable elements of Great Streets program <p>Density bonus</p> <ul style="list-style-type: none"> Community benefits and infrastructure fee 															
<p>- Maximize other community benefits</p>	<p>Density Bonus</p> <table border="0"> <tr> <td>Childcare</td> <td>Cultural venue</td> <td>Historic preservation onsite</td> </tr> <tr> <td>Historic preservation offsite</td> <td>Live music venue</td> <td>Other community benefits</td> </tr> </table>	Childcare	Cultural venue	Historic preservation onsite	Historic preservation offsite	Live music venue	Other community benefits	<p>Density Bonus</p> <table border="0"> <tr> <td>Childcare</td> <td>Affordable childcare</td> <td>Affordable creative space</td> </tr> <tr> <td>Cultural venue</td> <td>Grocery store</td> <td>Live music venue</td> </tr> <tr> <td>Public art</td> <td>Other community benefits</td> <td></td> </tr> </table>	Childcare	Affordable childcare	Affordable creative space	Cultural venue	Grocery store	Live music venue	Public art	Other community benefits	
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Council-Directed Community Benefit for South Central Waterfront	Downtown Density Bonus Program	South Central Waterfront Density Bonus Program
<ul style="list-style-type: none"> - Ensures enhanced environmental standards and protections 	<p>Required</p> <ul style="list-style-type: none"> • LEED 2 Star Green building <p>Density bonus</p> <ul style="list-style-type: none"> • Exceeding green building • Green roof 	<p>Required</p> <ul style="list-style-type: none"> • LEED 2 Star Green building • Bird-friendly design • Non-potable water reuse irrigation system if not located within a Critical Water Quality Zone. • New development shall make provisions to connect to the City’s reclaimed water distribution system
<ul style="list-style-type: none"> - Supports the Project Connect transit investment the community is making 	<p>Required None</p> <p>Density Bonus</p> <ul style="list-style-type: none"> • None 	<p>Required</p> <ul style="list-style-type: none"> • Enhanced subdistrict density surrounding proposed light rail stop within District <p>Density Bonus Transit supportive infrastructure community benefit</p>