

ORDINANCE NO. _____

**AN ORDINANCE AMENDING CITY CODE CHAPTER 25-2 (ZONING) TO
CREATE A DENSITY BONUS 240 (DB240) COMBINING DISTRICT AND
ESTABLISH ASSOCIATED REGULATIONS.**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. Subsection (F) of City Code Section 25-2-32 (*Zoning Districts and Map Codes*) is amended to add new combining districts to read:

(F) Combining districts and map codes are as follows:

(26) density bonus 240DB240

PART 2. City Code Section 25-2-181 (*Density Bonus Combining Districts*) is amended to rename the section and to add a new Subsection (E) to read:

§ 25-2-181 DENSITY BONUS COMBINING DISTRICT[~~S~~] PURPOSE.

(E) DB240 combining district allows residential uses on sites with commercial highway and industrial base zoning districts, modifies site development regulations, and grants additional height in exchange for community benefits including income-restricted housing.

PART 3. City Code Chapter 25-2 (*Zoning*), Subchapter C, Division 5, Article 3 is amended to add a new Section 25-2-656 to read:

§ 25-2-656 DENSITY BONUS 240 (DB240) COMBINING DISTRICT REGULATIONS.

(A) This section establishes the applicable regulations for DB240 combining district zoning.

(B) This section governs over a conflicting provision of this title or other ordinance.

(C) Pre-Requisites.

(1) To utilize the regulations described in Subsection (H), a property must be zoned DB240 combining district and an applicant must comply with Subsections (E), (F), and (G).

28 (2) To preserve reserved dwelling units and existing non-residential spaces, an
29 applicant must comply with Article 2 (*Density Bonus and Incentive*
30 *Programs*) of Chapter 4-18 (*General Permitting Standards*) before applying
31 for a building permit or site plan that relies on the regulations described in
32 Subsections (H).

33 (D) DB240 combining district may be combined with the following base districts:

- 34 (1) industrial park (IP);
- 35 (2) limited industrial services (LI);
- 36 (3) major industry (MI);
- 37 (4) research and development (R&D); and
- 38 (5) commercial highway services (CH).

39 (E) Affordability Requirements – Dwelling Units.

40 (1) In this subsection, BONUS HEIGHT means the amount of height that
41 exceeds the height allowed by the base zoning district.

42 (2) Affordability Minimums - Ownership Units. If an applicant develops
43 dwelling units for sale, this subdivision applies.

44 (a) To utilize 30 feet in bonus height or to utilize a development standard
45 that is not height-related, a development must provide a minimum of
46 10 percent of the residential units as affordable for ownership and
47 occupancy by households earning 80 percent or less of the current
48 Austin-Round Rock Metropolitan Statistical Area Median Family
49 Income as determined by the director of the Housing Department or
50 pay the fee-in-lieu described in Paragraph (2)(d) for an equal number
51 of residential units.

52 (b) To utilize more than 30 feet but less than 61 feet in bonus height, a
53 development must provide a minimum of 12 percent of the residential
54 units as affordable for ownership and occupancy by households
55 earning 80 percent or less of the current Austin-Round Rock
56 Metropolitan Statistical Area Median Family Income as determined
57 by the director of the Housing Department or pay the fee-in-lieu
58 described in Paragraph (2)(d) for an equal number of residential units.

59 (c) To utilize more than 60 feet but less than 121 feet in bonus height, a
60 development must provide a minimum of 15 percent of the residential
61 units as affordable for ownership and occupancy by households
62 earning 80 percent or less of the current Austin-Round Rock
63 Metropolitan Statistical Area Median Family Income as determined
64 by the director of the Housing Department or pay the fee-in-lieu
65 described in Paragraph (2)(d) for an equal number of residential units.

66 (d) An applicant for a proposed owner-occupied housing development
67 may elect to meet the affordability requirement without providing
68 income-restricted units onsite by paying a fee in-lieu to the Housing
69 Trust Fund. At a minimum, the fee-in-lieu shall be equivalent to 100
70 percent of the required percentage of the total residential units,
71 including the mix of bedrooms required. The fee-in-lieu shall be set
72 by separate ordinance and the amount of fee-in-lieu due is determined
73 using the separate ordinance in effect at site plan submittal.

74 (3) Affordability Minimums - Rental Units. If an applicant develops dwelling
75 units for lease, this subdivision applies.

76 (a) To utilize 30 feet in bonus height or to utilize a development standard
77 that is not height-related, a development must provide:

78 (i) a minimum of 10 percent of the residential units as affordable
79 for lease and occupancy by households earning 60 percent or
80 less of the current Austin-Round Rock Metropolitan Statistical
81 Area Median Family Income as determined by the director of
82 the Housing Department or

83 (ii) a minimum of 8 percent of the residential units as affordable for
84 lease and occupancy by households earning 50 percent or less
85 of the current Austin-Round Rock Metropolitan Statistical Area
86 Median Family Income as determined by the director of the
87 Housing Department.

88 (b) To utilize more than 30 feet but less than 61 feet in bonus height, a
89 development must provide:

90 (i) a minimum of 12 percent of the residential units as affordable
91 for lease and occupancy by households earning 60 percent or
92 less of the current Austin-Round Rock Metropolitan Statistical

93 Area Median Family Income as determined by the director of
94 the Housing Department; or

95 (ii) a minimum of 10 percent of the residential units as affordable
96 for lease and occupancy by households earning 50 percent or
97 less of the current Austin-Round Rock Metropolitan Statistical
98 Area Median Family Income as determined by the director of
99 the Housing Department.

100 (c) To utilize more than 60 feet but less than 121 feet in bonus height, a
101 development must provide:

102 (i) a minimum of 15 percent of the residential units as affordable
103 for lease and occupancy by households earning 60 percent or
104 less of the current Austin-Round Rock Metropolitan Statistical
105 Area Median Family Income as determined by the director of
106 the Housing Department; or

107 (ii) a minimum of 12 percent of the residential units as affordable
108 for lease and occupancy by households earning 50 percent or
109 less of the current Austin-Round Rock Metropolitan Statistical
110 Area Median Family Income as determined by the director of
111 the Housing Department.

112 (F) Transit Supportive Infrastructure.

113 (1) In this subdivision, TRANSIT SUPPORTIVE INFRASTRUCTURE
114 includes appurtenances, facilities, and amenities related to a transit system
115 project as defined in Ordinance No. 20221115-048.

116 (2) If an applicant provides transit supportive infrastructure, the affordability
117 requirement to achieve a bonus height is reduced by two percent of required
118 affordable units.

119 (3) It is presumed that the value of the transit supportive infrastructure equals at
120 least two percent of the minimum affordability.

121 (a) The director of the Housing Department is authorized to reduce the
122 affordability requirement by more than two percent if the director of
123 the Housing Department and the Project Connect mobility officer

124 agree that the value of the transit supportive infrastructure is greater
125 than or equal to the value of the reduction.

126 (b) The director of the Housing Department may not reduce the
127 affordability requirement to less than one residential unit or the
128 equivalent of the fee-in-lieu for one ownership unit.

129 (4) An applicant must submit a written request to the Project Connect mobility
130 officer to provide transit supportive infrastructure.

131 (5) If an applicant requests to provide transit supportive infrastructure that
132 serves a community benefit, the Project Connect mobility officer must
133 approve a request.

134 (6) Before approving a request to provide transit supportive infrastructure, the
135 Project Connect mobility officer must adopt rules under Chapter 1-2
136 (*Administrative Rules*) that establish when transit supportive infrastructure
137 serves a community benefit.

138 (G) Existing Non-Residential Spaces.

139 (1) In this subsection,

140 (a) CREATIVE SPACE means a use described in Chapter 25-2 (*Zoning*)
141 that allows one or more of the following occupancies:

142 (i) art gallery;

143 (ii) art workshop;

144 (iii) performance venue; or

145 (iv) theater.

146 (b) EXISTING NON-RESIDENTIAL SPACE means a:

147 (i) creative space use that has operated for a minimum of three
148 continuous years;

149 (ii) brewery, distillery, or cidery, that has operated for a minimum
150 of 5 continuous years with a gross floor area of 20,000 square
151 feet or less;

- 152 (iii) food manufacturing that has operated for a minimum of 5
153 continuous years with a gross floor area of 20,000 square feet
154 or less;
- 155 (iv) custom manufacturing that has operated for a minimum of 5
156 continuous years with a gross floor area of 10,000 square feet
157 or less; or
- 158 (v) light manufacturing that has operated for a minimum of 10
159 continuous years with a gross floor area of 10,000 square feet
160 or less.

161 (2) If a site includes an existing non-residential space, the proposed
162 development must replace each existing non-residential space with a space
163 that is comparable in size for a period of 5 years.

164 (3) This subsection establishes an existing non-residential space subject to
165 Article 2 (*Density Bonus and Incentive Programs*), Division 2
166 (*Redevelopment Requirements*) of Chapter 4-18 (General Permitting
167 Standards).

168 (4) A non-conforming use is not discontinued or abandoned under Section 25-2-
169 945 (*Abandonment of Nonconforming Use*) if the non-conforming use
170 qualifies as an existing non-residential space and is required to be replaced
171 under this subsection.

172 (H) Development Standards and Mixed Use.

173 (1) Residential uses and the uses included in Table H1 are permitted uses on a
174 property zoned DB240 combining district.

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TABLE H1. PERMITTED USES

COMMERCIAL USES:	
Commercial Off-Street Parking	Kennels
Consumer Convenience Services	Laundry Services
Consumer Repair Services	Liquor Sales
Equipment Repair Services	Personal Improvement Services
Equipment Sales	Pet Services
Food Sales	Plant Nursery
General Retail Sales (Convenience)	Software Development
General Retail Sales (General)	Vehicle Storage
Hotel-Motel	Veterinary Services
CIVIC USES:	
Child Care Services (Commercial)	Guidance Services
Child Care Services (General)	Hospital Services (Limited)
Child Care Services (Limited)	Public Primary Educational Facilities
College and University Facilities	Public Secondary Educational Facilities
Counseling Services	Telecommunication Tower
Family Home	

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- (2) Table H2 establishes the conditional uses on a property zoned DB240 combining district.

TABLE H2. CONDITIONAL USES	
<p>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</p> <p>INDUSTRIAL USES: Light Manufacturing</p> <p>AGRICULTURAL USES: Indoor Crop Production</p>	<p>CIVIC USES: Community Events Hospital Services (General) Private Primary Educational Facilities Private Secondary Educational Facilities Telecommunication Tower Public Primary Educational Facilities Public Secondary Educational Facilities Employee Recreation</p>

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- (3) A development must comply with the provisions in Article 2 (*Site Development Standards*) that apply to property located on a core transit corridor without regard to whether the property is located on a core transit corridor and Article 3 (*Building Design Standards*) in Subchapter E (*Design Standards and Mixed Use*). In the event of a conflict, this section controls.
- (4) Mix of Uses.
- (a) In this subdivision, PRINCIPAL STREET has the same meaning as principal street in and is applied consistent with Article 5 (*Definitions*) of Subchapter E (*Design Standards and Mixed Use*).
- (b) Pedestrian-Oriented Commercial and Civic Spaces.
- (i) Except as provided in Paragraph (4)(b)(ii), at least 75 percent of the building frontage along the principal street and on the ground floor of the building must be designed for 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. A lobby serving a use other than a pedestrian-oriented commercial or civic space is not counted as a pedestrian-oriented commercial or civic place.

(ii) If a lot exceeds 2.5 acres and fronts more than one street, then 50 percent of the building frontage along the principal street and 50 percent of the second highest priority street must be designed for one or more commercial uses and must comply with dimensional requirements found in Section 4.3.3.C in Subchapter E (*Design Standards and Mixed Use*) of this chapter. A lobby serving a use other than a pedestrian-oriented commercial or civic space is not counted as a pedestrian-oriented commercial or civic place.

(c) If a building includes a mix of uses, a non-residential use:

(i) may not be located above a residential use; and

(ii) may not be located on or above the third story of the building.

(d) An on-site amenity is a residential use when provided solely for use by the occupant, or the occupant's guests.

(e) The ordinance zoning or rezoning a site as DB240 combining district zoning may modify the requirements in Paragraph (3)(b) if the site abuts one of the following roadways defined in Article 5 (*Definitions*) of Subchapter E (*Design Standards and Mixed Use*):

(i) urban roadway;

(ii) suburban roadway;

(iii) highway; or

(iv) hill country.

(5) Maximum Height.

(a) In research and development (R&D), a building may exceed the

247 maximum building height in the base zoning district by 120 feet
248 except that no building may exceed 165 feet in height.

249 (b) In light industrial (LI), a building may exceed the maximum
250 building height in the base zoning district by 120 feet except that
251 no building may exceed 180 feet in height.

252 (c) In industrial park (IP) a building may exceed the maximum
253 building height in the base zoning district by 120 feet except that
254 no building may exceed 180 feet in height.

255 (d) In commercial highway services (CH) a building may exceed the
256 maximum building height in the base zoning district by 120 feet
257 except that no building may exceed 240 feet in height.

258 (e) In major industrial (MI) a building may exceed the maximum
259 building height in the base zoning district by 120 feet except that
260 no building may exceed 240 feet in height.

261 (6) A site is not required to comply with the base zoning district's:

262 (a) minimum site area requirements (if applicable);

263 (b) maximum floor area ratio;

264 (c) maximum building coverage;

265 (d) maximum number of stories; and

266 (e) minimum street side yard setback and interior yard setback.

267 (7) Section 1.4 (*Minor Modifications*) and Section 1.5 (*Alternative Equivalent*
268 *Compliance*) in Subchapter E apply to a site developed under this section.

269 (8) The minimum street side yard setback and interior yard setback is 15 feet
270 unless the base zoning district requirement is less restrictive.

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274 **PART 4.** This ordinance takes effect on _____.

275 **PASSED AND APPROVED**

276 §
277 §
278 _____, 2024 § _____

Kirk Watson
Mayor

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283 **APPROVED:** _____
284 Deborah Thomas
285 Interim City Attorney

ATTEST: _____
Myrna Rios
City Clerk