



Affordability Impact Statement

Live Music Venue and Creative Space Bonus Phase 2

Case number: C20-2023-026

Initiated by: Resolution No.(s) 20220728-094 and 20220901-089

Date: 6/27/2024

Proposed Regulation

The proposed amendment would create a new combining district for an affordable creative space bonus program available upon request through a zoning application. It would include the following components:

- Requires the designation to be applied to more than one parcel to meet the definition of a creative district.
- Requires 30% of building frontage and 25% of ground floor to be for affordable creative spaces.
- Requires protections for existing creative spaces, including replacement, notice, rent assistance, and leasing options.
- Requires residential and hotel developments near music and performance venues to conduct a sound assessment and disclose to future residents.
- Requires leases to be affordable for 10 years, with rent at 50% of average city retail space rent or a sustainable ratio and limited annual increases.
- Allows for an extra 30 feet in height and exemptions from site development standards for developments providing affordable creative spaces or a fee in lieu of the affordable space.
- Provides for exemptions from certain compatibility standards, replaced with a compatibility buffer and screening requirements.

Land Use/Zoning Impacts on Housing Costs

The proposed changes would have a **neutral** impact on land use/zoning related housing costs. This would establish an optional density bonus program available upon request that would require review by city staff, the planning commission, and City Council. As part of the staff review, the Housing Department will evaluate the request in accordance with the goals of the Austin Strategic Housing Blueprint and assess any negative impact to existing affordable housing.

Impact on Development Cost

The proposed changes would have a **neutral** impact on development costs. Each proposal will be evaluated individually, with the Housing Department ensuring that the creative district designation does not negatively affect existing and future multi-family developments. Sound Assessment requirements may add costs for multi-family developments within 600 feet of the creative district.

Impact on Affordable Housing

The proposed changes would have a **neutral** impact on affordable housing. This creative district density bonus program could compete with other density bonus programs specifically designed for affordable housing, like DB-90. However, the case-by-case evaluation may deem it appropriate in historically commercial districts where housing is less suitable. The Housing Department will review each case and provide recommendations to the Planning Commission and Council.

Other Housing Policy Considerations

None.

Manager's Signature _____

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