The focus of our subcommittee is to determine how CodeNEXT addresses the concepts of compatibility and transition zones, where it has made improvements to the “toolbox” of code provisions, and where it could be improved. The CodeNEXT “initiative to revise the Land Development Code is a priority program out of Imagine Austin, [a] plan for the future adopted by City Council in 2012.”\(^1\) However, it is apparent that compatibility provisions present in the current Land Development Code (LDC) impede Imagine Austin’s vision. While the transect zones added to the draft version of the new LDC are a step in the right direction, we have recommendation for further improvements.

**Strengths of transect/transition zones in CodeNEXT**

- "Article 10 – Compatibility” has been removed; compatibility issues are now addressed in base zoning districts.
- T5 – Main Street Transect allows more density on small lots by reducing transition/set-back zones.
- Accessory Dwelling Units (ADU) are allowed in more base zoning districts.
- Live-work product is allowed.

**Weaknesses of transect/transition zones in CodeNEXT**

- Neighborhood Plan Overlays (NP) take precedence over base zoning entitlements where the two conflict. Existing NP’s currently overlap almost all corridors and transect zones.
- T5 Transect restricts large lot densities by limiting the depth of the 4th – 6th stories.
- T3 & T4 Main Street Transects permit very low development density.
- Main Street frontages are required to be “retail or gallery,” which may be too limiting.
- A commercial use is required on ground floor to increase allowable height of residential, which causes restrictions for the "missing middle" throughout neighborhoods.
- Small businesses cannot afford the hold costs required to meet city requirements for a commercial plan review.

\(^1\) [http://www.austintexas.gov/department/what-codenext](http://www.austintexas.gov/department/what-codenext)
**Code and Process Considerations**

- From 2014-2017 The City of Austin Planning Commission did not have any renters on their board. At this same time, statistics showed Austin’s population to be comprised of approximately 55% renters. Not having balanced representation on planning and zoning committees prevents certain concerns from being heard.

- Precedence is being set by Seattle, Washington as their city government rethinks city planning and bureaucratic process while facing an unprecedented housing crisis and dramatic homelessness.\(^2\) Takeaways from this case study can be utilized by the City of Austin.

- Currently only the consumer is accountable for timelines on a project. Enormous expenditures impacting affordability issues are passed along to the consumer rather than The City and consumer sharing responsibility for time management through residential and commercial plan reviews.\(^3\)

**Recommendations for CodeNEXT**

- Identify a clear definition of “missing middle” and make adjustments for what projects fall into residential plan review versus commercial plan review. Currently anything over 3 units requires commercial plan review which requires at least double the time to permit as a residential review.
  - The attached “Missing Middle Housing in Austin, TX” White Paper\(^4\) clearly identifies how current zoning has dramatically impacted the ability to create sustainable development within our neighborhoods. It also explains the systematic challenges with the planning and zoning departments and the need to reconsider what size projects fall under residential review vs commercial review.

- Maintain consistency throughout the code for “use names”, “permit uses”, and “use permissions”

- Have each Council district determine where and how their district will accommodate its share of Austin’s anticipated growth, as Austin’s growth is inevitable and it cannot all go downtown. Over the next 10 years Austin will need a minimum of 135,000 housing units. Appropriately placed density benefits residents.
  - Spread density allows for more housing choices (including the missing middle) throughout City.
  - Density along transit corridors spares the heart of adjacent neighborhoods.
  - Public services and infrastructure are provided and maintained in a more cost-effective manner, and the cost/tax burden is spread across more residents.

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\(^2\) [https://nextcity.org/features/view/seattle-nimby-neighborhood-planning-decisions](https://nextcity.org/features/view/seattle-nimby-neighborhood-planning-decisions)

\(^3\) ULI Austin “Process and Culture” Position Paper, April 2017.

\(^4\) “Missing Middle Housing in Austin, TX” White Paper by Nicole Josling, Austin Community Design and Development, Kevin Howard, University of Texas Center for Sustainable Development, May 2016.
Mobility options are increased; density supports transit investment.
“Urban” amenities/local commercial services are provided within walking distance.
Community’s natural resources are preserved by reducing pressure to sprawl

- Support efforts to make development more predictable by increasing entitlements by right under base zoning districts.
- Remove Neighborhood Plans as a placeholder.
  - Giving NP Overlays precedence over all base zoning districts (transect and non-transsect) would prevent CodeNEXT from achieving its primary goal of aligning with Imagine Austin.
- Integrate Neighborhood Plans to the greatest extent possible within the Zoning Map (i.e. have the layout of new base zoning districts respond to existing NP). Have Neighborhood Plans serve as visioning documents rather than regulatory instruments.
  - Do not permit Neighborhood Plans to trump the base zoning entitlements in transect zones, which are expected to be utilized along transit corridors and at activity centers to support compact and connected land development objectives.
  - Neighborhood input should still be integrated with the zoning process. Like other stakeholders, neighborhood leaders should still have an opportunity to support or object proposed zoning changes when they’re being considered by boards/commissions and Council. As described by the ULI Process and Culture subcommittee’s White Paper, integrate neighborhood input with the project manager and dedicated review team.

**Conclusion:**
- Ensuring Neighborhood Plans (NP) do not take precedence over base zoning is seen as the most critical concern for preserving the vision of Imagine Austin.
- Appropriately placed density will improve:
  - Household affordability (e.g. increase housing choices and reduce tax burden)
  - Transportation/congestion (e.g. decrease auto dependency)
  - Environmental sustainability (e.g. less pressure for greenfield development/sprawl)
  - Development process (e.g. expediting code process accelerates delivery of housing supply)

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