

## ORDINANCE AMENDMENT REVIEW SHEET

**Amendment:** C20-2023-019 Citywide Compatibility

**Description:**

Amend City Code Title 25 (Land Development) to revise height, building placement, and other related regulations that apply to property and are in addition to the base zoning regulations (also known as Compatibility Standards).

**Background:** Initiated by [Resolution No. 20230608-045](#).

Compatibility is a regulation that restricts building height and regulates screening, building design, and noise levels based on a site's proximity to a property with single-family zoning or a single-family use. Currently, compatibility generally applies to sites within 540 feet of a property zoned Urban Family Residence (SF-5) or more restrictive.

Compatibility does not apply uniformly citywide. Different compatibility standards apply depending on a site's location and use. Listed below are examples of where compatibility is treated differently throughout the city:

- [Citywide Compatibility Standards](#) have two separate regulations for [large](#) and [small sites](#).
- The [East Riverside Corridor Regulating Plan](#) compatibility standards are less restrictive than the current citywide standards and are only triggered by single-family use.
- The [Lamar/Justin, MLK, and Plaza Saltillo Transit Oriented Development \(TOD\) Regulating Plans](#) only apply compatibility to sites within 100 feet of the TOD boundary and within 25 feet of a triggering property.
- Within the [University Neighborhood Overlay \(UNO\)](#), compatibility only applies within 75 feet of the UNO boundary.
- Within the Educational Facility Development Standards, there are two separate compatibility height restrictions for AISD and non-AISD schools.
- Neighborhood Conservation Combining Districts (NCCDs):
  - The [E. 11<sup>th</sup> St. NCCD](#) waives compatibility standards in lieu of its own specific compatibility standards.
  - The [E. 12<sup>th</sup> St. NCCD](#) waives compatibility standards within the district.
  - The [Hyde Park NCCD](#) deviates from the current compatibility standards by allowing parking in the rear yard.
- Additional areas are exempt from compatibility, including properties zoned [Central Business District \(CBD\)](#), [Downtown Mixed-Use \(DMU\)](#), properties in the [North Burnet Gateway \(NBG\) Regulating Plan](#), and developments utilizing the [Affordability Unlocked](#) density bonus program.

For more information about the various compatibility standards in the code, see Exhibit A, Current vs Proposed Compatibility.

Compatibility Standards were codified with the adoption of the current Land Development Code in 1984. Their purpose, as stated in the [1984 code](#), is to “preserve and protect single-family residential neighborhoods” and “to maintain the privacy and to allow the outdoor enjoyment typically provided in single family districts and neighborhoods.”

Before compatibility was created, there was an ad hoc practice of creating “buffer zones” to separate single-family homes from more intensive uses. Buffer zones, defined as “strip(s) of land used to separate one land use from another incompatible land use” ([§ 25-1-21\(12\)](#)), were created on a case-by-case basis by assigning single-family zoning to areas of the property adjacent to single-family homes.

The city often required buffer zones when rezoning property adjacent to single-family homes. For example, city staff on July 9, 1983, recommended against a rezoning from AA (SF-2) to O (LO/GO) zoning and instead recommended O zoning with a 25’-wide buffer of A (SF-3) zoning along the property line adjacent to single-family properties.

No major changes to compatibility were made until December 2022, when City Council adopted [Ordinance No. 20221201-056](#), known as “Compatibility on Corridors.” The ordinance reduced compatibility and minimum parking requirements along specific corridors and directed staff to complete an analysis of citywide compatibility regulations. Staff did not recommend adoption of the ordinance because of its minimal impact on housing capacity and the additional complexity it created in an already complex set of regulations. In December 2023, the ordinance was invalidated by a court ruling.

In June 2023, City Council adopted [Resolution No. 20230608-045](#), which initiated significant modifications to citywide compatibility standards, as described below:

1. Change compatibility standards to be in line with peer cities.
2. Re-define “triggering property.”
3. Apply height and setback limits that mirror the Corridor Overlay.
4. Modify the “no-build” setback to be equal to or less restrictive than what applies to single-family structures.
5. Provide more opportunities for waivers from compatibility requirements.
6. Remove the maximum number of stories and increase height limitations by at least five feet.
7. Ease limitations on what can be constructed within the “no-build” setback.
8. Consider reducing or eliminating compatibility standards for projects that are participating in a density bonus program.

In September of 2023, the Housing and Planning Departments released the findings and recommendations of the [citywide compatibility analysis](#). The report included the following recommendations:

1. End compatibility related requirements at 75 feet.
2. Further reduce compatibility for on-site affordable housing.
3. Remove compatibility requirements from SF-6, MF-1, MF-2, and MF-3 zoning districts.
4. Refine heights within the compatibility buffer.
5. Conduct additional stakeholder engagement.
6. Analyze impacts and preservation strategies for existing multi-family housing.
7. Explore programs and partnerships to bring back displaced communities.
8. Minimize potential displacements impacts on vulnerable populations.
9. Balance the impacts of other regulations on housing capacity.

On February 1, 2024, City Council approved [Ordinance No. 20240201-027](#), authorizing a Joint Public Meeting of the Planning Commission and Council, waiving the requirements under 25-1-502, and adopting notice requirements for the meeting. On February 15, 2024, City Council set the date for the Joint Public Meeting for no earlier than May 1, 2024.

### **Summary of Proposed Code Amendment:**

The proposed changes can be broken down into the following categories:

1. Applicability
2. Height limits
3. Compatibility buffer
4. Screening, noise, and design requirements
5. Site-specific compatibility amendments

The following sections describe each of these categories in further detail:

1. Applicability
  - Sites zoned MF-4 or less restrictive within 75 feet of a triggering property must comply with compatibility standards.
  - Properties triggering compatibility standards are limited to those zoned Urban Family Residence (SF-5) or more restrictive with between one and three housing units.
  - Exemptions from compatibility standards include:
    - A building that is undergoing a structural alteration that does not increase its square footage, area, or height.
    - A property zoned Central Business District (CBD) or Downtown Mixed-Use (DMU).

- A site zoned Multifamily-Medium Density (MF-3) or more restrictive
- The following uses: Single-Family Residential, Single-Family Attached Residential, Duplex, Two-Unit Residential, Three Unit Residential, Adult Care Services (Limited or General), and Child Care Services (Limited or General).

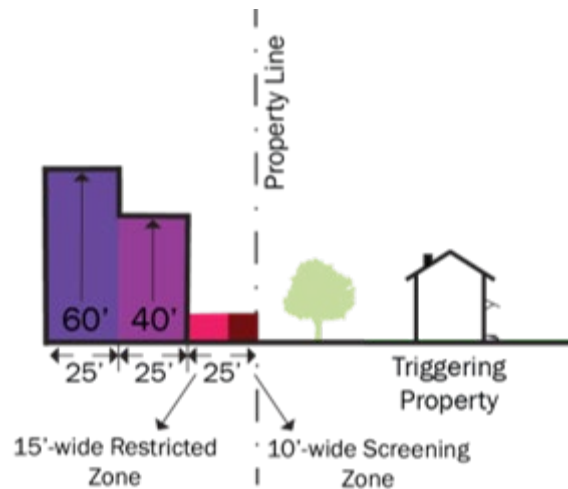
2. Height limits

- The following heights will be allowed within 75 feet of a triggering property:

Figure 1. Compatibility Height Limits Table:

Distance from lot line of triggering property:	Maximum building height (if allowed by base zoning district):
≤25'	0' (Compatibility Buffer)
>25' and ≤50'	40'
>50' and ≤75'	60'
>75'	Set by zone standards

Figure 2. Compatibility Height Limits Diagram:



3. Compatibility buffer\*

- A 25'-wide Compatibility Buffer is required along a property line shared with a triggering property consisting of:
  - 10'-wide Screening Zone with large or medium and small trees and large shrubs

Figure 3. Screening Zone Requirements:

Screening Zone Requirements	
Minimum width	10'
Large or medium trees <sup>1</sup> per 25 linear feet	1
Small trees per 25 linear feet	10
Large shrubs per 25 linear feet	10

<sup>1</sup> 20' minimum height at maturity

- \* Native plantings required (existing native plants can count) 15'-wide Restricted Zone with the allowance for the following low-intensity uses:
  - Landscaping or gardens;
  - Fences, walls, or berms,
  - Surface parking lots, driveways, alleys, or fire lanes;
  - Paths, walkways, or public use trails;
  - Utility infrastructure;
  - Refuse receptacles; and
  - Mechanical equipment.
- Green stormwater infrastructure is allowed in the screening and restricted zones.
- *\* (Buffer requirements were adopted on Feb. 29, 2024, as part of the Density Bonus 90 (DB90) Zoning District).*
- The Compatibility Buffer is not required for townhome or condominium uses or sites zoned Neighborhood Commercial (LR), Neighborhood Office (NO), and Limited Office (LO).

#### 4. Screening, noise, and design requirements

- Exterior lights must be shielded from view from neighboring properties.
- Mechanical equipment noise must stay under 70 decibels at the shared triggering property line.
- On-site amenities for occupants and guests cannot be located within 25 feet of a shared triggering property line, except for a multi-use trail.
- Screening is required for vehicle lights, mechanical equipment, outdoor storage, certain common areas, and refuse receptacles and collection areas.

#### 5. Site-specific compatibility amendments

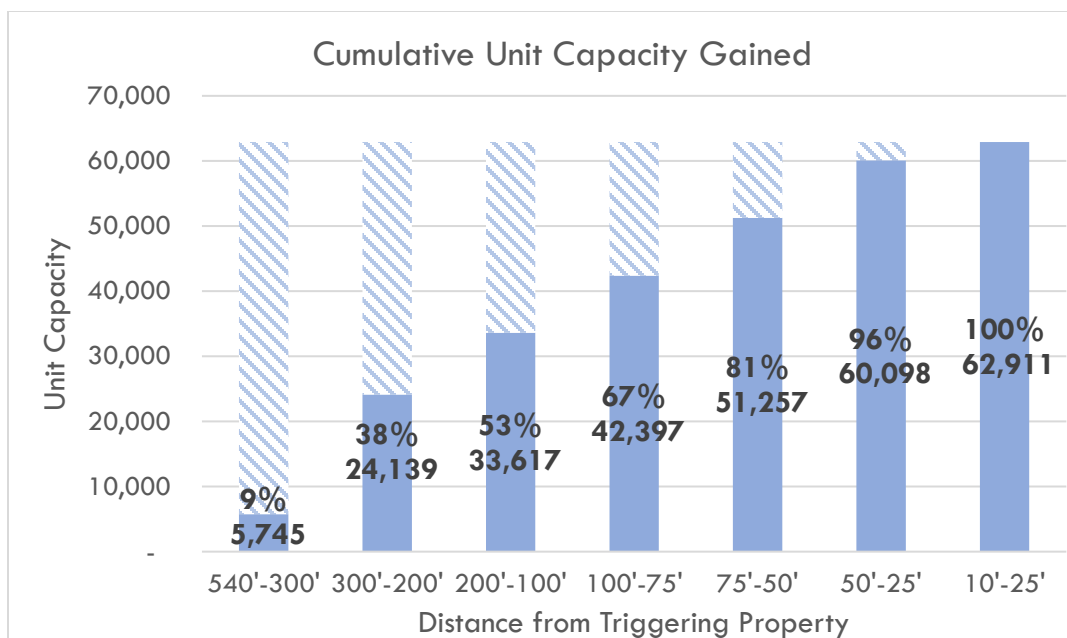
- Allows City Council to modify or waive compatibility height requirements through a site-specific zoning amendment process with notice and protest rights.
- It is not legally feasible to allow owners of triggering properties to waive or modify how compatibility applies to other sites with 75 feet.

For more detail about the proposed changes, see the draft ordinance. For a comparison of the proposed changes to current compatibility standards, see Exhibit A, Current vs Proposed Changes.

**Proposed Text Amendment(s):** See attached draft ordinance.

**Staff Recommendation: Recommended**

Staff recommends the proposed modifications to compatibility standards to increase housing unit capacity. Staff conducted a quantitative analysis to estimate the change in total land area impacted by compatibility and the potential change in unit capacity due to the proposed modifications to compatibility standards. The objective of the analysis was to understand how the proposed changes may impact the potential unit capacity on multifamily and mixed-use properties and to see where the impacts of the proposed changes are the greatest. A unit capacity analysis is a simplistic projection of how many housing units could be built in a community if every property were to develop or redevelop under existing zoning regulations. To estimate the impacts on unit capacity, staff calculated the potential unit yield using the existing compatibility height restrictions and compared it with the potential unit yield using the proposed compatibility height restrictions to determine the unit capacity gained back through the proposal. Due to the complexity of zoning regulations, broad assumptions are necessary to perform a citywide capacity analysis – these assumptions are explained in the detailed methodology. As seen in the chart below, unit capacity is estimated to increase by about 63,000 units with the proposed compatibility standards relative to the current regulations, supporting Strategic Housing Blueprint Goals of producing 135,000 housing units in 10 years. Over 42,000 of those estimated housing units are gained in distances beyond the proposed applicability of compatibility of 75 feet. An additional 20,000 housing units are gained within the 75 feet compatibility buffer, where additional height allowances are proposed. Housing units gained due to the general changes to the applicability of compatibility and definition of a triggering property are distributed across multiple distances.



In Imagine Austin, the community articulated a vision of complete communities – where residents can live, work, and play conveniently within their neighborhoods. Central to this vision is the idea of providing more housing opportunities near essential services and amenities. This approach not only enhances access to basic necessities but also promotes sustainable development patterns that reduce reliance on automobiles and encourage walking, cycling, and the use of public transportation. Staff recommends the proposed changes to compatibility as a component of implementing community goals of providing more housing opportunities close to essential services and amenities such as parks and childcare facilities. As seen in the table below, over 56,000 additional housing units could be located within a half mile of one or more of these daily needs.

Amenity	Estimated Housing Unit Capacity Gained Within Half Mile	Percent of Total Housing Unit Capacity Gained
<b>Grocery Stores</b>	≈ 26,968	43%
<b>City Parks</b>	≈ 52,457	83%
<b>AISD Public Schools</b>	≈ 39,095	62%
<b>Childcare Facility</b>	≈ 43,854	70%
<b>Near One or More Amenities</b>	≈ 56,681	90%
<b>Near Two or More Amenities</b>	≈ 49,911	79%

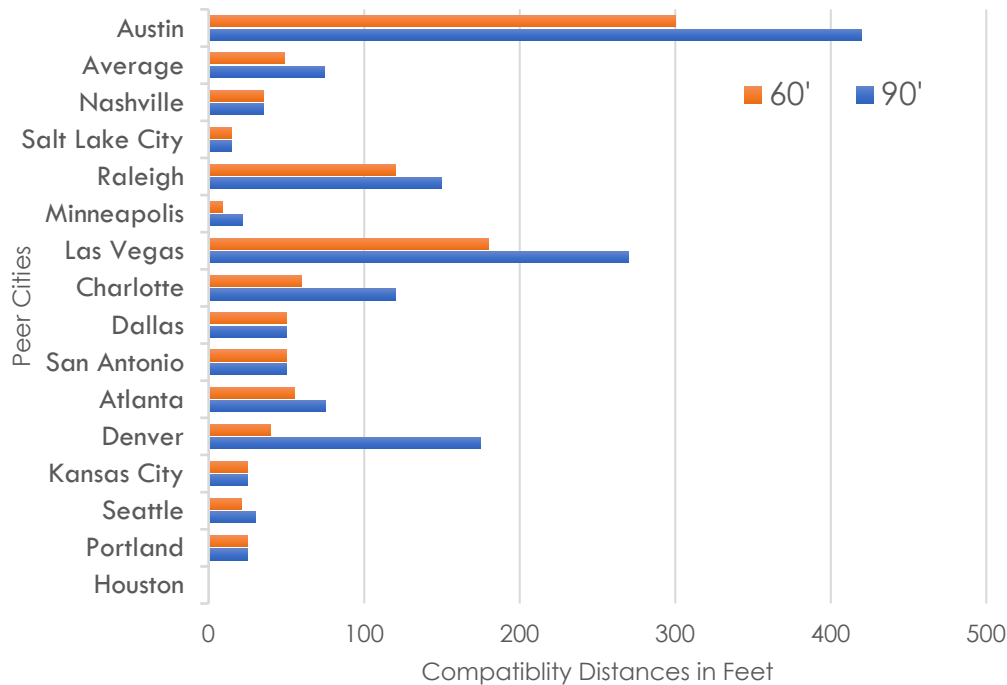
Staff recommends the proposed exemption for small-scale multifamily developments zoned MF-3 and more restrictive to enable the development of additional housing units. Staff estimate that this exemption will remove over 16,000 properties from compatibility standards, increasing unit capacity by almost 5,000 housing units. These small-scale multifamily developments can facilitate a transition zone from lower-density residential to higher-density multifamily and commercial developments.

Zoning District	Housing Units Gained	Properties No Longer Subject to Compatibility
SF-6	≈ 336	5,008
MF-1	≈ 141	639
MF-2	≈ 1,775	5,751
MF-3	≈ 2,491	5,229
<b>Total</b>	<b>≈ 4,745</b>	<b>16,627</b>

Staff also recommends exempting sites zoned MF-3 and more restrictive from compatibility because the allowed uses are residential or civic and are generally similar in bulk, scale, and density to single-family homes. The maximum height allowed in MF-3 and more restrictive zoning districts is less than 40ft, which does not warrant additional visual screening and distance from single-family homes. Staff also found that, on average, the size of parcels zoned MF-3 and more restrictive that are currently subject to compatibility is 18% less than the average size of parcels in less restrictive zoning districts that allow residential uses; requiring a 25-foot compatibility buffer would have been out of scale to existing lot sizes for many properties zoned MF-3 or more restrictive.

The proposed changes generally bring the compatibility standards in line with those of peer cities. Current compatibility height limits, which extend 540 feet from a single-family property, are considerably stricter compared to other peer cities. Peer city research shows that the average distance from a triggering property to reach a height of 60 feet is approximately 49 feet, and the average distance to reach a height of 90 feet is approximately 74 feet (excluding Austin). Both Dallas and San Antonio end all compatibility-related height restrictions after 50 feet from triggering properties, while Houston does not have specific compatibility restrictions based on adjacency to single-family zoning or use. The proposal to end compatibility height limitations at 75 feet aligns with the average standard observed across identified peer cities.





Staff recommends applying the compatibility buffer requirements in § 25-8-700 to properties abutting a triggering property to create a visual barrier between uses and to improve the urban environment for the future occupants of the development and surrounding neighbors. Lower intensity zones and uses are exempt from the buffer requirement. These include Townhouse Residential and Condominium Residential uses and sites zoned Neighborhood Commercial (LR), Neighborhood Office (NO), and Limited Office (LO). Similar to the general compatibility exemption for MF-3 and more restrictive residential districts, exempting townhomes, condominiums, and sites zoned LR, NO, and LO from compatibility will facilitate neighborhood-scale development without imposing planting and setback requirements out of scale with the development.

The planting requirements and allowed green stormwater infrastructure within the screening zone are in line with strategies proposed in the Climate Equity Plan, including updating codes to allow for housing development that balances protections of natural resources with the provision of housing and ensuring the species of newly planted trees are native or adapted and appropriate for the location, function, habitat, and future changes in the climate. The additional tree canopy cover will help to reduce the impacts of urban heat island effects, which are concentrated in higher-density areas. Further, the additional flexibility for low-intensity uses within the restricted zone will reduce the impact of compatibility requirements on a site's developable area.

Current compatibility regulations are complex, difficult to administer, onerous to applicants, and confusing to the public. A survey conducted for the 2023 citywide compatibility analysis also found that compatibility standards result in delays to project timelines, with 84% of respondents indicating short, moderate, or long delays. Delays were primarily caused by factors such as seeking variances, negotiations, extensive staff review and interpretation, neighborhood

opposition, lack of clarity, financial feasibility issues, design complexity, and lengthy review timelines and legal processes. Staff recommends the proposed simplification of compatibility regulations to reduce the need for labor-intensive and time-consuming development reviews.

Due the implications of compatibility for other parts of the code and other code amendments in progress, staff recommends addressing the following as part of a future code amendment:

- Compatibility in Transit-Oriented Development (TOD) zones and the University Neighborhood Overlay (UNO): Staff recommends reducing compatibility standards for projects that participate in UNO or TOD density bonus programs as part of the forthcoming comprehensive update to density bonus programs. To maximize community benefits and participation in these programs, staff recommends considering reducing compatibility through careful calibration of the programs' community benefits requirements and site development standards.

**Board and Commission Action:**

April 23, 2024 – To be reviewed by the Planning Commission

**Council Action:**

May 16, 2024 – To be considered by City Council

**Sponsor Department:** Planning Department

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