

Land Development Code Updates

3 Units by Right on Single-Family Zoned Lots

On December 7, 2023, the Austin City Council approved a portion of the HOME Initiative including several amendments to Austin's Land Development Code (LDC). Below are those changes and their impact.

<i>Name of the Update</i>	<i>Why Was the Update Approved?</i>	<i>How Does the Update Accomplish its Goal?</i>
3 Units by Right	Increase Austin's housing supply and give homeowners the ability to provide on-site housing options to family members, a caregiver, or earn additional income.	Increases the allowable units from two to three housing units on a Single-Family (SF) zoned property (SF-1, SF-2, SF-3).
Tiny Homes	Make it easier to install a tiny home, an accessible and affordable way to add a small house to a property.	Allows tiny homes (small homes typically under 400 ft ²) to be designated as residential units.
Preservation and Sustainability Bonuses	Incentivize saving existing homes that conserve neighborhood character and help keep materials out of area landfills.	Provides bonuses for property owners who commit to preserving elements of existing homes.
Encouraging Smaller Homes	Establishes size constraints creating smaller residences to ensure a more accessible and community-centric housing landscape and prevents one large home with two small houses from being built.	If a property owner chooses to build 2 or 3 units, limits are placed on the maximum floor to area ratio for each unit encouraging the development of smaller housing types.
Occupancy	Increase the number of people allowed to live in one home.	Eliminates the number of unrelated adults who can live in one home.

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Why Were These Changes Needed?

These updated amendments to Austin's LDC are designed to provide relief to middle-income households by encouraging smaller single-family homes and providing additional use options for existing homeowners. In Austin, people must make about \$180,000 a year to afford to buy a median-priced home. For many working families, this is unaffordable. Consequently, **Austin has a shortage of 215,077 affordable homes** for the majority of two-person households. Allowing 3 units by right and encouraging the development of smaller homes will help **increase our housing supply and decrease the housing costs in Austin**. For more information about Austin's missing housing supply, [click here](#) or visit www.abor.com/thetruth.

Important Considerations

- **These land use changes do not require current lots or neighborhoods to change.** The changes simply allow homeowners and property owners, within their current deed restrictions or HOA rules, to build multiple units on their lot if they desire to do so.
- **The changes do not override existing deed restrictions or HOA policies.** Homeowners and property owners that live in deed restricted neighborhoods or HOAs are still subject to their property's restrictions.
- **The changes do not eliminate Single-Family zoning in the City of Austin.**
- **Occupancy limits still apply, but they are based on the City Fire and Safety Code**, not the Land Development code.

How Do I Take Advantage of These New Entitlements?

Development applications related to these code changes are now accepted as of Monday, February 5, 2024. Residential building permit applications submitted prior to Feb. 5, 2024, will be reviewed under pre-HOME regulations unless an applicant submits an update that specifically opts into the HOME Amendments. **To modify an existing residential permit application or to apply for new one** [click here](#) or visit <https://www.austintexas.gov/page/residential-plan-review>

Additional Resources



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