

Why does Austin keep zoning laws in place that discourage density around transit stops, despite the benefits it would bring to residents?

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Executive Summary

Austin voters approved a new transit plan in 2020 called, “Project Connect”. The plan includes a variety of improvements and additions to the preexisting transit program in Austin, and a \$300,000,000 Anti-Displacement fund. There have been roadblocks in the fruition of the plan, one of which being zoning ordinances. Zoning has a sordid history in Austin; the effects of prior zoning decisions in Austin have been responsible for the mass displacement of black and brown people, and the subsequent neglect of the parts of town they were forced to move to.

Other cities in the United States have implemented successful transit plans and Equitable Transit Oriented Development (ETOD) principles. There are plans that Austin could implement that would meet the city’s ETOD goals and the city’s “Modal Shift Goal for 2039”, but they are dependent on zoning changes. The city is not on track to achieve these goals without proper investment in public transportation, the surrounding infrastructure, and the people living in the community. Affordable housing is vital to this plan, and could be produced using the Anti-Displacement Fund and a Revolving Loan Fund to incentivize development.

Introduction

Austin voters approved a new transit plan called “Project Connect” for the city in 2020, that included a high-capacity transit system, a light rail system, a downtown transit tunnel, new MetroRapid bus routes and vehicles, a transition to a zero-emissions fleet, and more. As the implementation of this plan begins, it is important for the city to prioritize Transit Oriented Development (TOD). TOD is a key factor in increasing and upkeeping transit ridership. One of the key factors in TOD is “[Creating] compact

development with sufficient density to support transit ridership located within easy walking distance of transit stops”. Currently, many of Austin’s transit stops are nestled within single-family home zones. These zones lack the commercial activity or housing density to promote sufficient ridership to support City of Austin’s 2039 modal shift goal of 50% of people relying on cars, and the other 50% relying on alternate forms of transportation, like public transit. (Transit Oriented Development, AustinTX.gov)

Research Question:

Why does Austin keep zoning laws in place that discourage density around transit stops, despite the benefits it would bring to residents?

Literature Review:

Zoning in America began in the early 20th century. In its early days, zoning was intended to protect property value by disallowing certain industries from being within residential areas and limiting building heights to not block sunlight. (*Zoning Arrived 100 Years Ago. It Changed New York City Forever*, David Dunlap, 2016)

The onset of ideas about organizing and planning cities through zoning began as strategies to segregate neighborhoods based on race and class. Baltimore, MD served as the first place to explicitly prohibit black people from white neighborhoods through zoning in 1910. This was quickly followed by Louisville, Kentucky. In 1917, the ordinances banning black people from white neighborhoods in Louisville were deemed unconstitutional and therefore, set precedent across the US that prohibiting certain races from certain areas was not explicitly allowed. This led leaders across the country

to seek new ways to discourage and exclude people of color from white blocks and neighborhoods. (The Racial Origins of Zoning in American Cities, Christopher Silver, 1997)

In Austin, the Hyde Park neighborhood shares commonalities with Baltimore and Louisville with regards to racist origin stories. Hyde Park was founded by Monroe Shipe, who marketed the space as a “Whites only” neighborhood. To this day, Hyde Park has some of the strictest zoning laws in Austin after “doubling down on making it near or impossible to build anything other than single family homes in a neighborhood inside of the urban core”, which keeps housing prices high and prohibits any buildings other than single-family homes, therefore excluding newcomers to the neighborhood. (*Why Propping Up Exclusionary Zoning Practices Upholds Systemic Racism in Central Austin*, Nina Hernandez, 2022). In the late 19th and early 20th century, Black people settled in neighborhoods like Clarksville and Wheatville, (The Empty Stairs: The Lost History of East Austin, Sharon Hill, 2012) (Austin Restricted: Progressivism, Zoning, Private Racial Covenants, and the Making of a Segregated City, Eliot M. Tretter, 2012) but Austin city planners neglected to install sewage lines or pave the roads in those neighborhoods as a part of the “1928 Austin City Plan” which aimed to move all black people from west Austin to east Austin. The plan also aimed to place all of the “separate but equal” facilities for black people in east Austin “as an incentive to draw the negro population to this area”. (*Austin Comp Planning: A Brief History Moving forward sometimes requires looking back*, Katherine Gregor, 2010). In 1957 the Industrial Development Plan allowed for the zoning of all property in east Austin to be “industrial,” including single family residential uses. “Under cumulative zoning,

residential homes could be built on land zoned industrial. Cumulative zoning allowed pollution and other hazardous facilities to be built adjacent to residential homes and schools in east Austin. Cumulative zoning was not allowed in west Austin.” West Austin was not implicated in the highly intentional zoning choices that exposed people of color in east Austin to harmful pollution and hazardous activity. This is because the city had a racist interest in protecting white people’s property value while relegating non-white people to areas of low property value. (*Contributing to the Legacy of Austin’s Racism in Land Development Planning*, Susana Almanza, 2018)

With Austin’s zoning history, questions are raised about how zoning serves the city today and why the community perpetuates antiquated and racist ideals through zoning in the city. To this day, zoning restrictions that disallow density are one of the main reasons that transit isn't as effective as it could be (*Relationships between density, transit, and household expenditures in small urban areas*, Jeremy Mattson, 2020). A vital aspect to Austin’s transit plan is Equitable Transit Oriented Development (ETOD). ETOD is key to implementing a transit system that serves all Austinites, and especially increases opportunity and access to resources for low income Austinites. At the core of ETOD are ideals like preserving and increasing housing opportunities and expanding employment opportunities with an accessible and quality transit system (Austin ETOD Policy Plan, Accepted 2023). Austin has these goals for the city to expand public transportation use, but is hesitant to change zoning laws that promote sufficient ridership to reach said goals.

Statement of Hypothesis:

Drawing from the above literature, the hypotheses that I will evaluate in this paper are:

H1: ***Equitable Transit Oriented Development in Austin is being stifled by overbearing zoning laws.*** Restrictive zoning laws in Austin have racist origins, and there's no place for such laws in a city that is aiming to create an equitable environment for its people to live in. Density around transit stops, whether it be more housing or commerce, is key to fulfilling the goals of ETOD. The current single family zoning along transit lines is a barrier in the way of fulfilling Austin's goals of a world class transit system.

Evaluation of Hypothesis:

H: ***Equitable Transit Oriented Development in Austin is being stifled by overbearing zoning laws.***

Austin's history is steeped in racist consequences of zoning. In an attempt to rectify the damage that zoning has done to people of color in Austin, the city should be aiming for a more equitable zoning system- one that allows for the community to become more affordable and accessible for everyone. However, this is not happening, exemplifying the divergence in interests between Austin residents and the city. There are ways that the city can achieve a zoning plan that is more equitable and therefore better suited for Project Connect. Firstly, Austin should follow the lead of other cities that have affordable housing and quality job opportunities surrounding transit. Cities like Denver have been successful in implementing a transit plan in a city that is not built around pre-existing transit structures like many cities in the Northeast. In Denver, a plan

has been implemented called “Blueprint Denver”. This plan has an emphasis on increasing equity in Denver, which feeds into the idea of ETOD principles. It identifies areas of “high growth” in the city and aims to develop them in a way that is specifically altered to fit that area. This plan’s goal is to increase housing opportunities for all people, with careful consideration to not displace people of color. It aims to create sensible density in “high growth” areas, so that there is ample space for people to live and commute to those places. They are zoning for higher occupancy buildings than the typical single family home. Austin could mimic a plan like this and see positive results for Austinites and Project Connect. It could begin with identifying the neighborhoods in which most people are immigrating to, and funding and approving the zoning for infrastructure that supports the people and businesses moving and preexisting there. Some of the most popular parts of Austin to move to are impossible to get an affordable apartment or house in, because with rising demand comes rising pricing. If there were more incentives for building affordable housing in popular areas or if zoning allowed for more multi-unit zoning in such popular and increasingly expensive areas, more people would be able to live in the parts of town that they wish to live in. Transit would also be more usable in these popular areas if they were more densely populated, because density would allow more people to walk from home to transit and then take transit to their job.

There are certain roadblocks in the way of Austin emulating the Blueprint Denver plan, however. One of the key components of Denver being able to achieve affordability in trendy areas, is Denver’s requirement for apartment complexes larger than 10 units to reserve 8% to 12% of units for affordable and income restricted housing. This is illegal

in Texas. A way that Austin could combat the inability to mandate affordability is by using some of the \$300,000,000 anti-displacement fund attached to Project Connect to purchase old or abandoned apartment complexes. Then, instituting a revolving loan fund (RLF) managed by a non-profit credit union or a local foundation for affordable housing, therefore incentivizing development through low interest loans to the private sector through the RLF. This would create not only affordable housing, but commerce around it. It would foster communities where people can live affordably and rely far less on cars, therefore pushing Austin closer to reaching its modal shift goals for 2039 and its ETOD goals. The city would also benefit from dual purpose zoning in these areas so that the apartment buildings could have commerce and business on street level, and housing above. It would also benefit from having these types of builds along transit corridors. The issue at hand does involve more than just zoning changes, it is dependent on development after zoning changes are made and ETOD values are implemented. Without development, there is no commerce along transit corridors or affordable housing within walking distance of trains or bus stops. Setting a number of units as affordable can affect profitability for a developer. As they're making less money, it makes projects less appealing because they're making less money than they would in a building without those restrictions. This is why something like an RLF is so vital, because affordable buildings need to be incentivized by the city.

In 2022, 58% of Austin residents deemed affordability the most pressing issue in the city. This problem would be mitigated by the implementation of ETOD principles, which aim to combat displacement and housing insecurity, expand job access, and provide access to quality transportation. Nestled within Project Connect is a tangible

example of ETOD in practice: a \$300,000,000 anti-displacement fund. It is one of the largest funds to mitigate deracination of locals to the areas that are being transformed by a transit plan in the United States. This fund is a step in the right direction for achieving a more equitable city for all Austinites, regardless of race or income level. However, ETOD's principles cannot proliferate in the most ideal fashion without zoning changes. Single family homes in Austin cost more than condos and apartments, therefore the changing of zoning to allow for more condos, apartments, and multiple homes on one lot would increase affordability and allow people to live closer to the city center rather than leaving Austin to find more affordable housing in neighboring communities. Creating an environment with more apartments and condominiums also allows for more retail and job opportunities in close proximity to housing- if Austin puts more dual-purpose zoning into place, allowing for a more walkable and transit-friendly community. As of 2016, only 3.6% of people used public transit to get to and from work in Austin, and 73% drove to work alone. This data shows that there is a long way for the city to go in order to meet its public transportation ridership goals for the future. People are more likely to ride the bus if they live close to it, and with a surplus of mandated single family zoning surrounding transit stops, these restrictive zoning laws are hindering progress in transit plan fruition and increase in ridership. This would allow more Austinites to be able to go from home to work without a personal vehicle, therefore creating more likelihood for reaching the goals for Austin's 2039 modal shift goal of 50% of people relying on cars, and the other 50% relying on alternate forms of transportation. (Percent split of modes based on commute to work, The Official City of Austin Open Data Portal)

To have a comprehensive view of ETOD principles, one must understand the role that race plays in the creation of a new transit system. Ideally, all people in Austin would benefit from the fruition of the Project Connect plan. Historically, however, with massive moves to reform the city and further organize it, like the 1928 City Plan, people of color in Austin have been relocated and relegated to less favorable parts of town in an effort to further oppress them and separate them from white people. Any consequence of Project Connect contributing to the historical pattern of negligence with regards to the livelihood of people of color would be unacceptable and completely antithetical to the goals of the project. This is one of the reasons why zoning changes are so vital. Between the years of 2010 and 2021, the percentage of Hispanic people living in Austin decreased, despite the population increasing by more than 300,000 people (*Austin's racial segregation continued over the last decade, new census data shows*, Audrey McGlinchy, 2020) This is likely the result of the spike in housing prices and the rise in the demand for housing in Austin that was occurring over this period of time (City of Austin Comprehensive Housing Market Analysis, 2020). The creation of more housing and employment opportunities near quality transportation could have massive implications for people who have been historically excluded from the resources that Austin has to offer. More density around transit is an equalizing factor in the growth of Austin. It gives all people more ample opportunity to find housing and jobs in the city, rather than being pushed out of the city.

Displacement of "Freedman Towns"	1870's	Black families were removed from settlements in West Austin to make room for white
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		neighborhoods. They were pushed to the east side of town.
The City Master Plan	1928	The city neglected to pave roads or install sewage lines in historically black neighborhoods on the west side. All black facilities were built on the east side. This pushed black and brown residents to East Austin.
The Industrial Development Plan	1957	The city zoned all of East Austin as cumulative zoning, allowing for industrial sites to be next door to single family home lots.

Discussion of Findings:

The findings of this paper support the hypothesis, because the reasons behind the zoning changes may not be as racially charged as they once were, but the effects of old zoning policies still show in Austin today. Non-white people have been historically pushed east of I-35, and there are still neglected neighborhoods remaining there. Huge chunks of the east side are considered food deserts, and have limited access to public transportation (Economic Research Service, 2015). The goal of Project Connect is to create more accessibility to transportation for Austinites, including those in neglected parts of town. This way, those residing in such areas can have the same access to jobs, necessities, and commerce as everyone else in Austin. Despite public interest and the

clear benefits that zoning changes would bring, there has been little progress in doing so. The consequences of this inaction result in discrimination and lack of progress.

Conclusion:

Austin's history with zoning is steeped in racism. The people of Austin are aiming to push the city in a more equitable direction by expanding public transportation and implementing ETOD principles that would grant greater access to necessities for everyone. The city and state, however, have implemented several blockades for progress in the Project Connect plan. There are solutions that aid in the progress that Austinites crave, and these solutions have been implemented in cities across the country.

Solutions to the problem of zoning overlap with issues of affordability, which Austin residents deemed the city's most important issue in 2022. Ideally, with the implementation of ETOD principles in Austin, residents would see the creation of new affordable housing options in areas that people want to live in. In theory, this housing could be developed through an RLF and developers could reap benefits from building affordable homes.

This research could be expanded upon by being applied to other cities in the midst of applying a new transit plan, or implementing ETOD principles. It could be applied to a city like Nashville, Tennessee, who failed to pass a transit referendum in 2018. Similar plans to Project Connect have been proposed in Nashville, though they have yet to be voted upon. When Nashville votes to improve its transit plan in the future, it can use the plan proposed in this research to implement ETOD principles. It could

also be applied with regards to burgeoning affordable housing efforts in other parts of the country.

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