

**ZONING CHANGE REVIEW SHEET****COMBINED REVIEW SHEET:**

PLAZA SALTILLO Tracts 1/2/3

PLAZA SALTILLO Tracts 4/5

PLAZA SALTILLO Tract 6

**CASES:** Plaza Saltillo Tracts 1/2/3 – C14-2016-0050  
 Plaza Saltillo Tracts 4/5 – C14-2016-0049  
 Plaza Saltillo Tract 6 – C14-2016-0051

**P.C. DATE:** January 10, 2017  
 December 13, 2016  
 November 8, 2016  
 October 25, 2016  
 October 11, 2016  
 September 13, 2016

**CASE NAMES, FILE NUMBERS, ADDRESSES & ACREAGE:**

<u>Name</u>	<u>File #</u>	<u>Address</u>	<u>Acres</u>
Plaza Saltillo 1/2/3	C14-2016-0050	901, 1011, and 1109 E 5th Street	6.819
Plaza Saltillo 4/5	C14-2016-0049	1211 and 1301 E. 5th Street	3.349
Plaza Saltillo 6	C14-2016-0051	413 Navasota Street	<u>0.873</u>
			TOTAL 11.041

**DISTRICT:** 3

**OWNER:** Capital Metropolitan Transportation Authority Property & Asset Management (Shanea Davis)

**AGENT:** Land Use Solutions (Michele Haussmann)

**FROM:** Transit Oriented Development-Neighborhood Plan (TOD-NP) combining district

**TO:** Transit Oriented Development-Central Urban Redevelopment- Neighborhood Plan (TOD-CURE-NP) combining district

**NEIGHBORHOOD PLAN AREA:** East Cesar Chavez

**TIA:** See attached memorandum

**WATERSHEDS:** Waller and Lady Bird Lake

**CAPITOL VIEW CORRIDOR:** Yes

**DESIRED DEVELOPMENT ZONE:** Yes

**SCENIC ROADWAY:** No

**SUMMARY STAFF RECOMMENDATION:**

Staff supports the Applicant's request, with conditions (TOD-CURE- NP). Staff recommends that cases C14-2016-2016-0049 and C14-2016-0050 (Tracts 1-5) cases be subject to the Traffic Impact Analysis (TIA) prepared by the Applicant. Development on the Tracts shall be subject to the recommendations contained in the attached memorandum from the Transportation Review Section of the Development Review Department dated November 2, 2016. The TIA memorandum will be attached to the zoning cases by public restrictive covenant. *Please see Exhibit A (TIA Memorandum).*

**PLANNING COMMISSION RECOMMENDATION:**

December 13, 2016: *TO GRANT POSTPONEMENT AS REQUESTED BY NEIGHBORHOOD TO JANUARY 10, 2017, ON CONSENT, (8-0) [P. Seegar- 1<sup>st</sup>, T. White- 2<sup>nd</sup>; A. Pineyro-DeHoyos, K. McGraw, T. Nuckols, J. Shieh- Absent]*

November 8, 2016: *TO GRANT POSTPONEMENT AS REQUESTED BY PLANNING COMMISSION TO DECEMBER 13, 2016, ON CONSENT, (11-0) [J. Schissler- 1<sup>st</sup>, N. Zaragosa- 2<sup>nd</sup>; J. Thompson, J. Shieh- Absent]*

October 25, 2016: *TO GRANT POSTPONEMENT AS REQUESTED BY STAFF TO NOVEMBER 8, 2016, ON CONSENT, (11-0) [J. Schissler- 1<sup>st</sup>, N. Zaragosa- 2<sup>nd</sup>; J. Thompson, J. Shieh- Absent]*

October 11, 2016: *TO GRANT A POSTPONEMENT TO OCTOBER 11, AS REQUESTED BY STAFF, ON CONSENT, (12-0) [P. Seeger- 1<sup>st</sup>, J. Vela -2<sup>nd</sup>; J. Schissler- Off Dais]*

September 13, 2016: *TO GRANT A POSTPONEMENT TO OCTOBER 11, AS REQUESTED BY STAFF, ON CONSENT, (10-0) [P. Seeger- 1<sup>st</sup>, A. Pineyro-DeHoyos -2<sup>nd</sup>; K. McGraw, J. Schissler and J. Vela- Absent]*

**ISSUES:**

The subject property is an 11-acre property owned by Capital Metro located in the Plaza Saltillo Transit Oriented District (TOD). In response to a request for proposals (RFP) issued by Capital Metro, the Applicant is proposing a mixed use development that includes office, commercial, multifamily and public open space. The proposal also includes participation in the TOD density bonus program to provide onsite affordable housing and fee-in-lieu in order to increase the allowable building height from 40 feet to 60 feet. The Applicant has worked with Planning and Zoning (PAZ) and Neighborhood Housing and Community Development (NHCD) to provide both onsite affordable housing for the residential portions of the development, and a payment of a fee-in-lieu for the commercial parts of the development. PAZ and NHCD support this affordable housing arrangement, as well as the proposed CURE- related modifications.

The Applicant requests rezoning the property from TOD-NP to TOD-CURE-NP. The addition of the CURE combining district to the base TOD zoning district would allow the following:

- Provide a range of Median Family Income (MFI) levels up to 60% MFI, including 30%, 50% and 60% MFI for Tract 6. The TOD density program establishes a maximum MFI level of 50%.
- Increase height from 60 feet (after density bonus) to 70 feet for a portion of Tract 1/2/3
- Increase height from 60 feet (after density bonus) to 125 feet for office building on a portion of Tract 1/2/3
- Increase height from 60 feet (after density bonus) to 68 feet for a portion of Tract 1/2/3, Tract 4/5, and Tract 6

**DEPARTMENT COMMENTS:**

**Background.** In 2004, commuter rail service between Austin and Leander was approved by voters, spurring the City of Austin to adopt a Transit Oriented Development (TOD) district ordinance in 2005. This allowed the City to work with neighborhoods and property owners to develop Station Area Plans and Regulating Plans along the rail route. The Station Area Plan and the Regulating Plan together form the base zoning categories and regulations for each TOD. The Plaza Saltillo TOD was created in 2008, and updated in 2013.

**Plaza Saltillo TOD.** The subject property is located within the boundaries of the Plaza Saltillo TOD. The property is subject to the land use and site development standards identified in the Plan, with land use regulations and general design standards organized into subdistricts. There are three mixed-use subdistricts and one residential subdistrict. The property is located within the “TOD Mixed Use” subdistrict, which allows the highest level of development activity in the TOD, ideally with a mix of ground floor commercial or other active uses with residential, commercial and/or office uses on the upper floors. This land use designation is concentrated near the transit station and along primary streets that lead to it. ***Please see Exhibit B (TOD Station Area Plan).***

As stated above, the TOD establishes site development and design standards. However, building construction standards have changed since 2008, particularly in relation to floor height. Changes in construction standards and techniques, including those for Green Building standards, have resulted in increased heights per floor. The maximum height designated for the TOD Mixed Use subdistrict is 40 feet, but the TOD allows density bonuses, including height up to 60 feet, in exchange for onsite affordable housing or payment of a fee-in-lieu of onsite affordable housing. The proposed rezonings plan to pursue both options, which will be discussed in a later part of this report. ***Please see Exhibit C (TOD Building Height Exhibit).***

CURE Zoning and Capital View Corridor. CURE zoning may only be applied to properties located in specified central urban areas, and the subject property is located within approved CURE boundaries. The proposed rezoning is located within a Capitol View Corridor viewshed, and any proposed site plan/building plan will require formal Capitol View Corridor assessment. Capital View Corridor height limits supersede any height limits established by the TOD or CURE zoning. ***Please see Exhibit D (CURE & View Corridor Exhibit).***

The CURE combining district allows modification of various elements of the base zoning district, which in this case is TOD. The proposed rezonings plan to utilize the CURE overlay for building height increases and allow for a range of affordable housing levels, as described in the Issues section of this report.

Rezoning Tracts. The properties included in the rezoning request are owned by Capital Metro, who posted a request for proposals (RFP) in 2013 for redevelopment of the properties. In 2016, Capital Metro selected Endeavor to act as developer, and approved a master plan for redevelopment of the project under a 99-year lease.

The rezoning of the Plaza Saltillo redevelopment has been filed as three separate cases because traditional zoning applications cannot cross rights-of-way (ROWs). The rezoning cases are all located between East 4<sup>th</sup> Street and East 5<sup>th</sup> Street, between IH 35 Northbound frontage road and Onion Street. The organization of the rezoning cases, as well as a generalized description of how the addition of the CURE zoning would affect each tract is below. ***Please see Exhibits E through I (Zoning Maps, Tract Map, and Land Use Plan).***

**C14-2016-0050 (Tracts 1/2/3)** — The tracts addressed by this rezoning request are located immediately east of IH 35 Northbound frontage road. Tract 1 extends east to San Marcos Street, Tract 2 is located between San Marcos Street and Medina Street, and Tract 3 is located between Medina Street and Waller Street. These tracts are vacant and traversed on the southern end with rail road tracts. This rezoning case utilizes the CURE overlay for height increases on all three tracts. A height increase from 40 to 70 and from 40 to 125 is proposed on Tract 1, to allow construction of 7 stories of office over ground floor commercial/retail and a parking garage. A height increase from 40 to 70 feet is proposed on both Tracts 2 and 3, to allow construction of 4 stories of residential over ground floor commercial/retail.

**C14-2016-0049 (Tracts 4/5)** — The tracts addressed by this rezoning request are located immediately east of Tract 3. Tract 4 is located between Waller Street and Attayac Street, and Tract 5 is located on the northern half of the block between Attayac Street and Navasota Street. These tracts are vacant and traversed with rail road tracts. The rezoning request anticipates construction of a 1.8 acre public open space and bicycle-pedestrian paseo. A height increase from 40 to 68 feet is proposed on Tract 4 to allow construction of 4 stories of residential over ground floor commercial/retail. No height increase is proposed on Tract 5 where the public open space is located.

**C14-2016-0051 (Tract 6)** — The tract addressed by this rezoning request is located immediately east of Tract 5. Tract 6 is located on the northern half of the block between Navasota Street and Onion Street. The tract is currently undeveloped except for railroad tracks. The rezoning request anticipates development of primarily affordable housing with a few market rate units on this tract. A height increase from 40 to 68 feet is proposed to allow construction of 4 stories of residential over ground floor surface parking.

**Affordable Housing.** As stated previously, Plaza Saltillo TOD allows density bonuses in exchange for providing onsite affordable housing or payment of a fee-in-lieu. The Applicant proposes to participate in the density bonus program with both onsite affordable housing and a fee-in-lieu, both of which have been reviewed and are supported by NHCD. *Please see attached Exhibit J (NHCD Memorandum).* Instead of being applied on a tract-by tract basis, the onsite affordable housing units will be distributed among the tracts and be mixed throughout the market rate units. Residential or mixed use development is not required in the “TOD Mixed Use” subdistrict, and affordable housing is only required with participation in the density bonus program.

The Applicant’s affordable housing proposal for Tracts 1 through 6 includes 141 affordable onsite units and a \$660,000 fee-in-lieu. The 141 onsite units include 41 floating affordable onsite units within the market-rate multifamily development at 50% MFI, and 100 affordable onsite units on Block 6 at a combination of 30%, 50%, and 60% MFI.

**Transportation.** Transportation issues are addressed in the attached TIA memorandum.

Correspondence received regarding the rezoning request is attached with this report. *Please see Exhibit K (Correspondence).*

#### **EXISTING ZONING AND LAND USES:**

	<b>ZONING</b>	<b>LAND USES</b>
<i>Site</i>	TOD-NP – Mixed Use	Capital Metro rail/facilities
<i>North</i>	TOD-NP – Mixed Use, Corridor Mixed Use	Mixed use: Multifamily, Restaurant, Retail, Automotive repair, Parkland, Warehousing, etc.
<i>South</i>	TOD-NP – Corridor Mixed Use, Live/Work Flex	Mixed use: Limited industrial, Manufacturing, Pedicab storage, Urban farm, Cocktail lounge, etc.
<i>East</i>	TOD-NP – Mixed Use, Plaza Saltillo	Transportation terminal, Cocktail lounge, etc
<i>West</i>	Interstate 35 Northbound frontage road, TOD-NP – Mixed Use	Interstate highway, Capital Metro rail/facilities

#### **ABUTTING STREETS:**

<b>Name</b>	<b>ROW</b>	<b>Pavement</b>	<b>Classification</b>	<b>Sidewalks</b>	<b>Bike Route</b>	<b>Capital Metro (within ¼ mile)</b>
IH-35	356’-365’	113’	HWY	Yes	No	Yes
E. 5 <sup>th</sup> Street	80-84’	36’	MAU	Yes	No	Yes
E. 4 <sup>th</sup> Street	60’	33’	Collector	No	Yes	Yes
Brushy Street	60’	N/A (unbuilt)	Collector	No	No	Yes
San Marcos St	60’	N/A (unbuilt)	Collector	No	No	Yes
Medina St	60’	N/A (unbuilt)	Collector	No	No	Yes
Waller St	60’	42’	Collector	No		Yes
Attayac Street	60’	N/A (unbuilt)	Collector	No	No	Yes
Navasota Street	40’	31’	Collector	No	No	Yes
Onion Street	60’	N/A (unbuilt)	Collector	No	No	Yes

#### **RELATED CASES:**

<b>NUMBER / NAME</b>	<b>REQUEST</b>	<b>COMMISSION</b>	<b>CITY COUNCIL</b>
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<b>C14-2015-0054</b> 901 East 901 and 917 E. 6 <sup>th</sup> Street	TOD-NP  to  TOD-CURE-NP	June 23, 2015: PC approved Staff rec. on consent (8-0) TOD-CURE-CO-NP. 1. max 2,000 v.p.d. 2. Vehicular access to 6 <sup>th</sup> is prohibited 3. Storage rooms and restrooms included 25-2-531	September 10, 2015: CC approved TOD-CURE- CO-NP as rec. on consent (11-0)
<b>C14-2011-0091</b> Jaylee Limited (Arnold Oil) 1601& 1645 E. 6 <sup>th</sup> Street	TOD-NP  to  TOD-CURE-NP	August 27, 2013: PC approved Staff rec. on consent (8-0-1) TOD-CURE-NP: 1.The property will be developed as an Office Tract and a MF Tract. 2. The Office Tract and MF Tract will be joined by a UDA and/or Shared Parking Agreement. 3. Parking for both Tracts may be located on the MF Tract.	September 26, 2013: ORD NO. 20130926-100- CC approved TOD-CURE- NP as rec. on consent (11-0)

## **SCHOOLS:**

Zavala Elementary School      Martin Middle School      Eastside Memorial HS at Johnston

## **NEIGHBORHOOD ORGANIZATIONS:**

Sentral Plus East Austin Koalition (SPEAK)	United East Austin Coalition
East Cesar Chavez Neighborhood Association	Saltillo Loft Owners Association
Guadalupe Neighborhood Development Corporation	East River City Citizens
Greater East Austin Neighborhood Association	Tejano Town
East Cesar Chavez Neighborhood Planning Team	Cristo Rey Neighborhood Association
Organization of Central East Austin Neighborhoods (OCEAN)	
Guadalupe Association for an Improved Neighborhood (GAIN)	
El Concilio Coalition of Mexican American Neighborhood Associations	

## **CITY COUNCIL DATE:**

December 15, 2016: This item was postponed to January 26, 2017 at the request of staff was approved on consent on Council Member Zimmerman's motion, Council Member Gallo's second on an 11-0 vote.

November 10, 2016: This item was postponed to December 15, 2016 at the request of staff was approved on consent on Council Member Renteria's motion, Council Member Garza's second on an 11-0 vote.

October 13, 2016: This item was postponed to November 10, 2016 at the request of staff on consent on Council Member Zimmerman's motion, Council Member Gallo's second on a 9-0 vote. Council Members Renteria and Troxclair were absent.

**CASE MANAGER:** Heather Chaffin  
e-mail: [heather.chaffin@austintexas.gov](mailto:heather.chaffin@austintexas.gov)

**PHONE:** 512-974-2122

**STAFF RECOMMENDATION:**

Staff supports the Applicant's request, with conditions (TOD-CURE- NP). Staff recommends that all three cases be subject to the Traffic Impact Analysis (TIA) prepared by the Applicant. Development on the Tracts shall be subject to the recommendations contained in the attached memorandum from the Transportation Review Section of the Development Review Department dated October 20, 2016. The TIA memorandum will be attached to the zoning cases by public restrictive covenant.

The Applicant has worked with NHCD and PAZ to meet the conditions of the TOD density bonus program, to obtain the increase in height from 40 feet to 60 feet. NHCD and PAZ support the proposal to allow a range from 30% to 60% MFI on Tract 6.

The additional height increases (beyond the 60 feet height limit that can be granted by the Director of NHCD through the downtown density program) range from 8 feet to 10 feet for the majority of the Tracts, excepting the additional 65 feet requested for a portion of Tract 1. As part of the overall six tract project, Staff believes the 7-story office over 1-story commercial is an appropriate addition to the Plaza Saltillo TOD. As previously stated, the Applicant's proposal was selected by Capital Metro through the RFP process, demonstrating their support for the proposed height and density increases.

*1. The proposed zoning should be consistent with the purpose statement of the district sought.*

Staff believes the proposed rezoning, with conditions, meets the purpose of the CURE combining district as stated in the Land Development Code:

“The purpose of a central urban redevelopment (CURE) combining district is to promote the stability of neighborhoods in the central urban area.

(B) A CURE combining district may be used:

- (1) for sustainable redevelopment of homes, multifamily housing, and small businesses;
- (2) to accommodate high priority projects that enhance the stability of urban neighborhoods including the development of affordable housing and small businesses along principal transportation routes that serve a neighborhood;
- (3) to improve the natural environment; and
- (4) to encourage high quality development with architectural design and proportion compatible with the neighborhood.”

*2. Granting of the request should result in an equal treatment of similarly situated properties.*

As shown in the Related Cases section of this report, the City has added the CURE overlay district to the two other properties in the Plaza Saltillo TOD that have made the request since the creation of the TOD.

*3. Zoning should promote clearly-identified community goals, such as creating employment opportunities or providing for affordable housing.*

The proposed development is participating in the density bonus program, which requires affordable housing provisions. The Applicant is providing both onsite affordable housing and fee-in-lieu in order to satisfy density bonus requirements—a program that was specifically designed to encourage affordable housing development in the area.

**SITE PLAN**

SP2. There are two site plans currently under review for properties on Tracts 1/2/3 and on Tracts 4/5 (SP- 2015-0480C and SP- 2015- 0479C). If the rezoning request is denied, the site plans must comply with current TOD-NP requirements for development. If the rezoning is granted, the site plans must comply with the modifications proposed in this rezoning request (as intended by the Applicant).

SP3. A license agreement will be required for any streetscape improvements in the right of way at the time of site plan.



SP 2 Any development which occurs in an SF-6 or less restrictive zoning district which is located 540-feet or less from property in an SF-5 or more restrictive zoning district will be subject to compatibility development regulations.

SP 4 The site is in a Capitol View Corridor. In a Capitol view corridor, a structure may not exceed the elevation of the plane delineating the corridor. The height limitation exceptions of Section 25-2-531 (Height Limitation Exceptions) do not apply to this subsection. A formal Capital View Corridor determination application will be required.

SP 5 The site is within the Plaza Saltillo TOD. Per the regulating plan, it is designated as TOD Mixed Use and shall be subject to design guidelines for the TOD Mixed Use subdistrict.

### TRANSPORTATION

#### TIA:

TR1. A traffic impact analysis is required and has been received with site plan SP-2015-0479C and SP-2016-0480C. These are administrative site plans that do not require Planning Commission approval. Additional right-of-way, participation in roadway improvements, or limitations on development intensity may be recommended based on review of the TIA. [LDC, Sec. 25-6-142]. Comments will be provided in a separate memo.

TR2. If the requested zoning is granted, it is recommended that sidewalks (built to City of Austin standards) shall be built along the western side of Navasota Street between E. 4<sup>th</sup> and E. 5<sup>th</sup> Street as a condition of zoning.

TR3. Existing Street Characteristics:

Name	ROW	Pavement	Classification	Sidewalks	Bike Route	Capital Metro (within ¼ mile)
IH-35	356'-365'	113'	HWY	Yes	No	Yes
E. 5 <sup>th</sup> Street	80-84'	36'	MAU	Yes	No	Yes
E. 4 <sup>th</sup> Street	60'	33'	Collector	No	Yes	Yes
Brushy Street	60'	N/A (unbuilt)	Collector	No	No	Yes
San Marcos St	60'	N/A (unbuilt)	Collector	No	No	Yes
Medina St	60'	N/A (unbuilt)	Collector	No	No	Yes
Waller St	60'	42'	Collector	No		Yes
Attayac Street	60'	N/A (unbuilt)	Collector	No	No	Yes
Navasota Street	40'	31'	Collector	No	No	Yes
Onion Street	60'	N/A (unbuilt)	Collector	No	No	Yes

### CAPITAL METRO

*Concerning all proposed development within 500-feet of the Capital Metro Rail Tracks-* Capital Metro runs freight service on these tracks, and is required to continue to do so as a matter of federal law. Since March 22, 2010, we are operating passenger rail service, primarily, but not limited to, weekday hours. With the start of passenger rail service, we have shifted freight rail service to other times, particularly the hours after the last passenger train has run. This shift is in accordance with Federal regulations and safety procedures. All concerned parties need to be aware of the freight service in planning any development. The freight trains generate some noise as they move through. At many urban street crossings, there are upgraded signal systems with crossing arms to block the roadway. This allows the City of Austin the ability to apply for a "quiet zone" meaning that the train will not blow its horn, under normal operations, as it moves through the street. At other crossings, the freight train will blow the horn, which is approximately 96 decibels. At any

time, if the engineer judges it to be prudent, the horn will be sounded as needed for safe operation. Please consider this information in planning developments near the Capital Metro rail lines.

## ENVIRONMENTAL

1. The site is not located over the Edwards Aquifer Recharge Zone. The site is located in the Waller Creek Watershed and Ladybird Lake Watershed, which are classified as Urban Watersheds by Chapter 25-8 of the City's Land Development Code. It is in the Desired Development Zone.
2. Zoning district impervious cover limits apply in the Urban Watershed classification.
3. According to floodplain maps there is no floodplain within or adjacent to the project location.
4. Standard landscaping and tree protection will be required in accordance with LDC 25-2 and 25-8 for all development and/or redevelopment.
5. Trees will likely be impacted with a proposed development associated with this rezoning case. Please be aware that an approved rezoning status does not eliminate a proposed development's requirements to meet the intent of the tree ordinances. If further explanation or specificity is needed, please contact the City Arborist at 974-1876. At this time, site specific information is unavailable regarding other vegetation, areas of steep slope, or other environmental features such as bluffs, springs, canyon rimrock, caves, sinkholes, and wetlands.
6. This site is required to provide on-site water quality controls (or payment in lieu of) for all development and/or redevelopment when 8,000 s.f. cumulative is exceeded, and on site control for the two-year storm.

## WATER UTILITY

1. The landowner intends to serve the site with City of Austin water and wastewater utilities. The landowner, at own expense, will be responsible for providing any water and wastewater utility improvements, offsite main extensions, utility relocations and or abandonments required by the land use. Water and wastewater utility plans must be reviewed and approved by the Austin Water Utility for compliance with City criteria. All water and wastewater construction must be inspected by the City of Austin. The landowner must pay the City inspection fee with the utility construction. The landowner must pay the tap and impact fee once the landowner makes an application for a City of Austin water and wastewater utility tap permit.