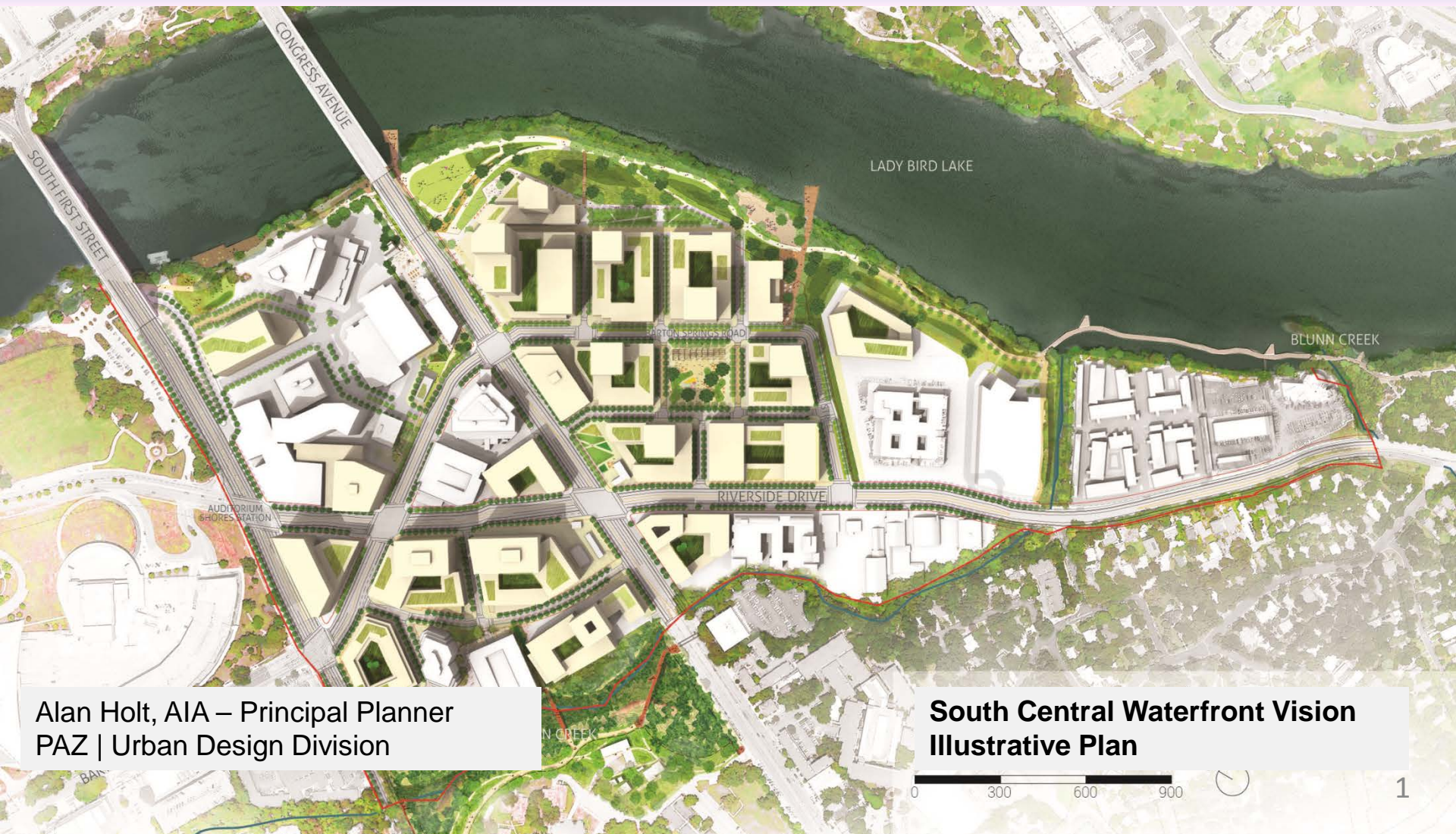


South Central Waterfront Advisory Board

August 21, 2017

Briefing: 425 W. Riverside



Alan Holt, AIA – Principal Planner
PAZ | Urban Design Division

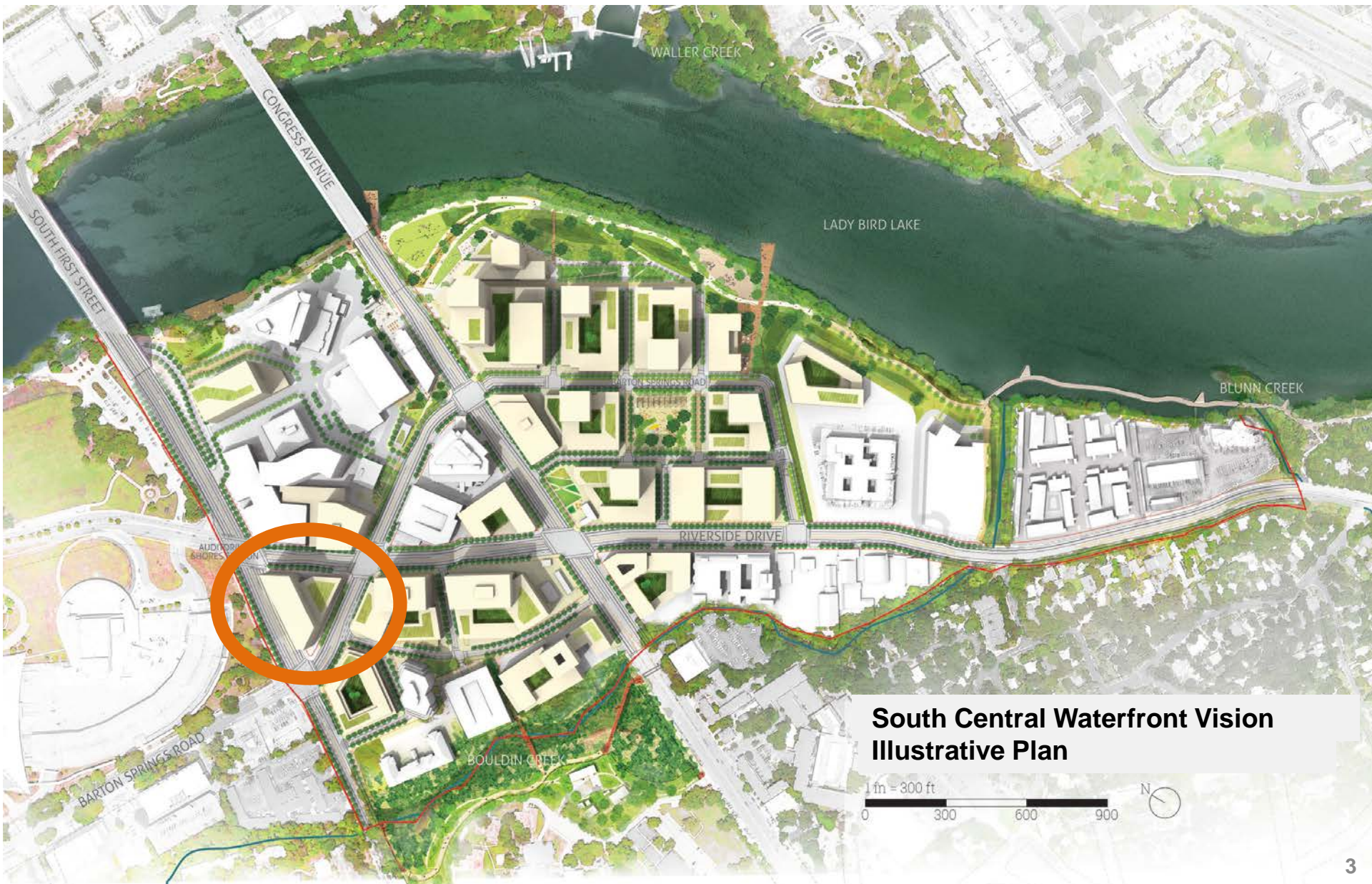
**South Central Waterfront Vision
Illustrative Plan**

0 300 600 900

425 W. Riverside – Planned Unit Development (PUD)

- Submission for Development Assessment
 - “The purpose of the 425 West Riverside PUD is to embody the spirit of the South Central Waterfront Vision Framework Plan...”
- Update #3 received August 4th
 - Staff review is underway
- Tentatively planning to present the PUD to the Environmental Commission, October 4th. Upon receiving their recommendation/review staff will present the proposed development to the South Central Waterfront Advisory Board (October 16). It will then proceed to Planning Commission (November) and City Council (December).
- Question before SCWAB: For this location, what has the SCW Plan modeled, and what does the SCW Plan require?

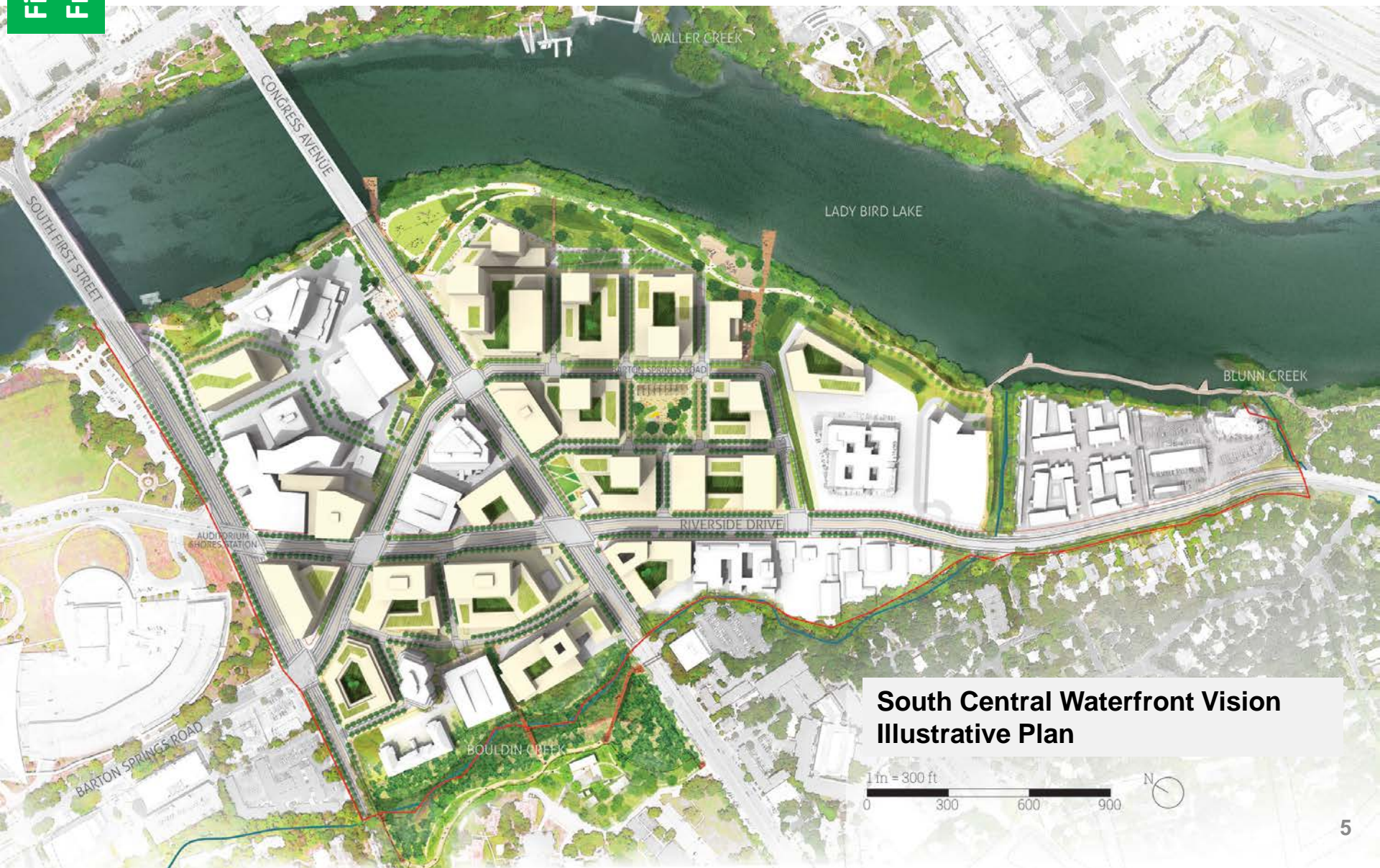
SCW Initiative: 425 W. Riverside



Dollars & Sense: Funding Toolkit

Making Density Work: The Financial Toolkit			
	Transportation Infrastructure	Parks & Open Spaces	Affordable Housing 20% all new units
Privately Funded			
Public Improvement District	✓	✓	✓
Transfer of Development Rights		✓	✓
Philanthropy		✓	✓
Publicly Funded			
Tax Increment Financing	✓	✓	✓
CIP Funds	✓	✓	
Parking Fund	✓		✓
Affordable Housing (tax abatements/credits, REIT)			✓

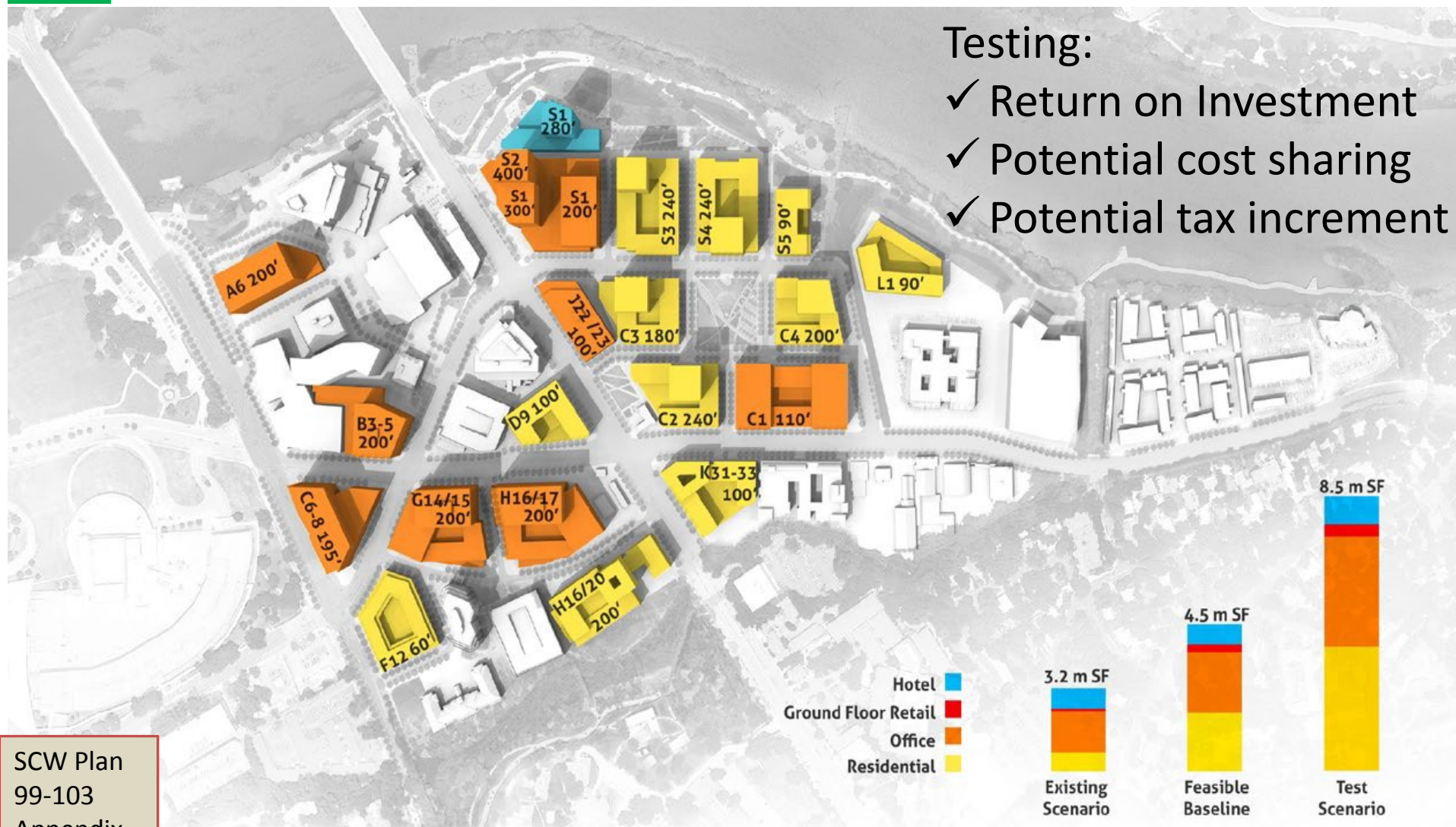
Making Density Work: Value Capture & Cost Sharing



Making Density Work: Test Scenario for Development

Testing:

- ✓ Return on Investment
- ✓ Potential cost sharing
- ✓ Potential tax increment



Making Density Work: Test Scenario example

Attachment 3: Development Assumptions

Residential

	Residential – rental, 60' (stick over podium) (Low)	Residential – rental 7+ story (Mid-rise and High-rise)	Residential – condo
Operating Revenues and Expenses			
Rent/Sales Price Per NSF	\$2.50	\$2.85 (mid) \$3.10 (high)	\$550 (avg. for downtown)- \$700 highest end projects (Source: Terry Mitchell) Terry Mitchell's workforce project, NE side of downtown: \$475/SF
Parking Revenue Per Space	\$750 (surface) \$1,500 (podium) \$1,500 (underground) \$1,500 (wrap)	\$750 (surface) \$1,500 (podium) \$1,500 (underground) \$1,500 (wrap)	\$750 (surface) \$1,500 (podium) \$1,500 (underground) \$1,500 (wrap)
Operating Cost Per SF	\$5	\$5 (mid) - \$6 (high)	\$0
OpEx Per NSF	36%	36% (mid) - 40% (high)	31%
Inflation Factor	3%	3%	3%
Development Cost	Assume wood frame	Assume steel and concrete	Assume steel and concrete
Average height/floor	10.5'	10.5'	11'
Square feet per Unit	850 (low)	850 (mid and high)	1,250
Unit Mix	Studio: 40% 1-bed: 30% 2-bed: 30%	Studio: 40% 1-bed: 30% 2-bed: 30%	
Gross to Net SF Ratio	75%	80% (mid) / 85% (high)	85%
Hard Cost Per GSF (w/o parking)	\$120	\$190 (mid) / \$220 (high)	\$225
Soft Costs as a percent of total costs	20%	20% (mid) 17% (high)	25%
Parking Requirements	1 parking space for the first bedroom and 0.5 space for each additional bedroom. 1 parking space for an efficiency dwelling unit (Source: Austin zoning code 25-2-1556) Several rental projects that decouple parking and charge \$175-\$200 extra per space per month.		1 parking space for the first bedroom and 0.5 space for each additional bedroom. 1 parking space for an efficiency dwelling unit (Source: Austin zoning code 25-2-1556)
Parking Cost Per Space	\$5,000 (surface) \$25,000 (podium) \$40,000 (underground) \$15,000 (wrap)	\$5,000 (surface) \$25,000 (podium) \$40,000 (underground) \$15,000 (wrap)	\$5,000 (surface) \$25,000 (podium) \$40,000 (underground) \$15,000 (wrap)
Retail Construction Costs Per Square Foot	\$130	\$130	\$130
Retail TI Allowance	\$40	\$40	\$40
Contingency Costs (% of Total)	5%	5%	5%
Developer Fees (% of Total)	5%	5%	5%
Market Assumptions			
Vacancy	Total building: 4%	Total building: 4%	N/A
Cap rates	5.5%	5.5%	N/A
Percent of Condo Units Sold at Closing	N/A	N/A	85%, 100% sold after 6 months

Commercial

	60' Office (Low)	185' Office (Mid and High)	Retail (Ground Floor)
Operating Revenues and Expenses			
Rent Per NSF NNN, annual	\$29	\$32 (mid) \$35 (high)	\$35
OpEx Per NSF	\$12	\$15 (mid) \$17 (high)	\$35
Leasing Commission	Leasing commission is Austin is capped at 6% gross: 4% for tenant rep and 2% for landlord.		
Real Growth Rate	3.0%	3.0%	3.0%
Parking Revenue Per Space	Same as res	Same as res	Same as res
Development Cost			
Average Height Per Floor	12.5'	12.5'	18'
Hard Cost Per GSF	\$125	\$140 (mid) - \$160 (high)	\$130
Soft Cost Per GSF as % of Hard Costs	20%	20%	20%
Parking Cost Per Space	Same as res	Same as res	Same as res
Landscaping Cost	\$0	\$0	\$0
Contingency Costs (% of Total)	5%	5%	5%
Developer Fees (% of Total)	5%	5%	5%
Tenant Improvement Allowance	\$50	\$50	\$40
Retail Construction Costs PSF	\$130	\$130	\$130
Market Assumptions			
Vacancy	Total building: 8%	Total building: 8%	Total building: 5%
Cap Rate	6.5%	6.5%	9%

Other Assumptions

Exhibit 17. Debt Service Assumptions

Interest Rate	6%
Loan to Value Ratio	0.7
Loan Amortization (Years)	30
Inflation Rate	3%

Making Density Work: Test Scenario example

425 W. Riverside

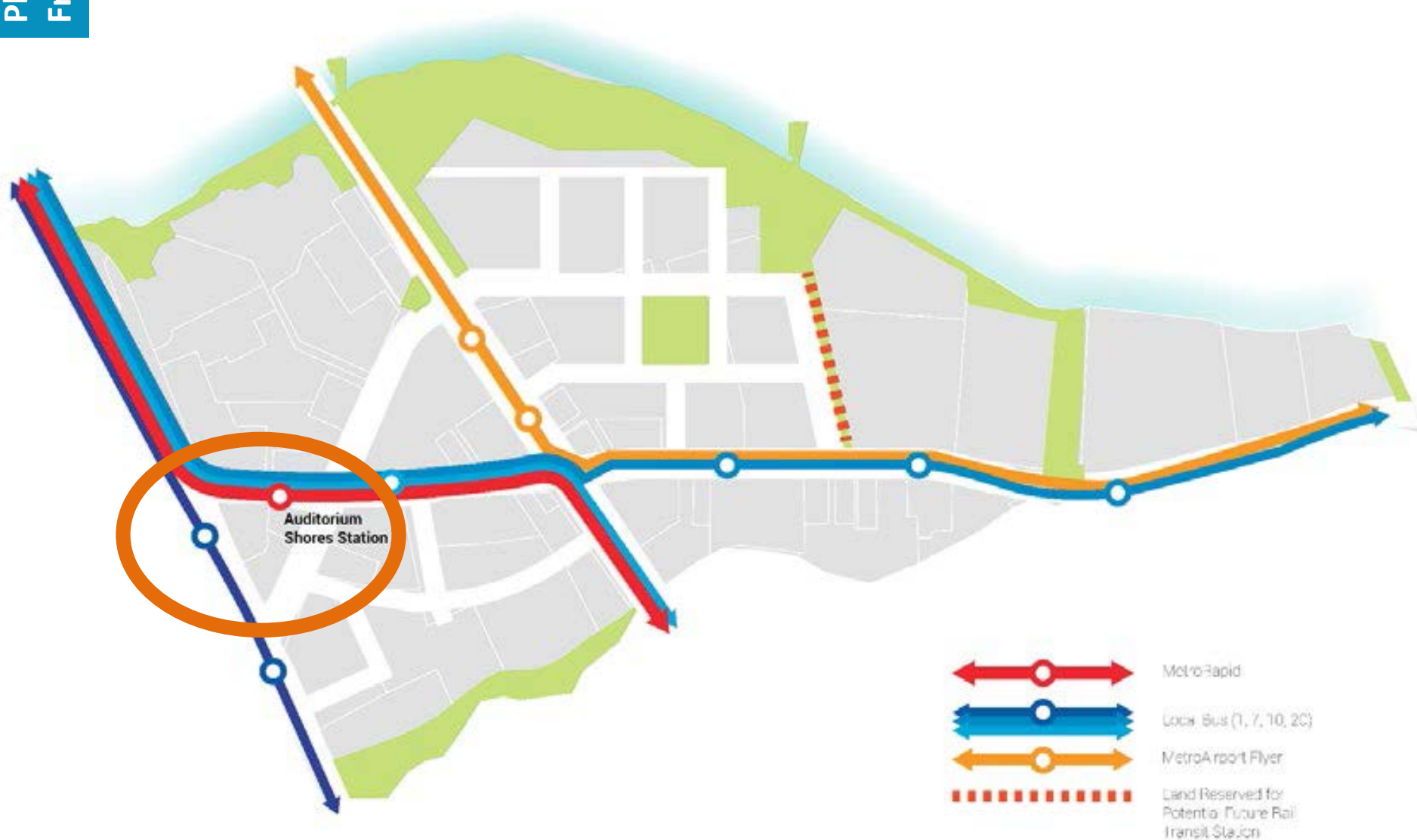
Attachment 4: Test Scenario Results

for 195' height modeled

Parcel Use	A6 Office	B3, B4, B5 Office	C6,C7,C8 Office/MF	D9 MF	I12 MF/Office	G14,G15 Office	H16, H17, H20 Office/MF	S1 Sub-Parcel: Office	S2 Sub-Parcel: Hotel	S3 Sub-Parcel: MF	S4 Sub-Parcel: MF	S5 Sub-Parcel: MF	J22 Off
Acres	3.71	1.71	1.50	0.92	1.24	1.56	6.09	2.30	0.73	1.49	1.49	0.58	
PUD?	Y			Y			Y		Y				
Entitlement Assumptions													
FAR	2.4	3.5	4.7	3.7	3.2	5.3	3.0	8.5	8.4	7.0	7.0	4.5	
Height (Stories)	13	13	14	9	5 to 6	15	15 to 18	17 to 26	24	7 to 21	7 to 21	8	
Use Mix													
Office SF	360,000	250,000	270,525	0	10,000	347,600	371,000	812,900	0	0	0	0	
Hotel SF	0	0	0	0	0	0	0	0	254,500	0	0	0	
Retail SF	20,000	10,000	21,045	9,000	7,000	10,000	32,000	38,000	12,000	25,000	25,000	12,000	
Residential SF	0	0	13,800	152,000	155,975	0	387,000	0	0	430,750	430,750	102,000	
Total SF	380,000	260,000	305,370	161,000	172,975	357,600	790,000	850,900	266,500	455,750	455,750	114,000	
Residential Units													
Market Residential Units	0	0	9	152	0	0	344	0	0	430	430	102	
Affordable Residential Units	0	0	0	52	150	0	86	0	0	0	0	40	
Total Units	0	0	9	204	150	0	430	0	0	430	430	142	
Affordable Housing Subsidy	\$ -	\$ -	\$ -	\$ 5,460,000	\$ 4,050,000	\$ -	\$ 4,300,000	\$ -	\$ -	\$ -	\$ -	\$ 1,400,000	
Per Unit Subsidy	\$ -	\$ -	\$ -	\$ 105,000	\$ 27,000	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 35,000	
Parking													
Surface	0	0	0	0	0	0	0	0	0	0	0	0	
Structure	170	520	772	222	128	476	824	919	340	287	287	140	
Underground	0	0	96	0	0	238	412	459	170	143	143	0	
Total Spaces	170	520	868	222	128	714	1,236	1,378	510	430	430	140	
Development Cost													
Building Cost	\$109 M	\$86 M	\$109 M	\$55 M	\$31 M	\$123 M	\$258 M	\$281 M	\$108 M	\$143 M	\$143 M	\$30 M	
Parcel Infrastructure Cost	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$2.6 M	\$1.3 M	\$4.8 M	\$1.7 M	\$0.5 M	\$3.3 M	\$2.9 M	\$0.9 M	
DistrictMaster Planning Fee	\$3.8 M	\$2.6 M	\$3.1 M	\$1.6 M	\$1.7 M	\$3.6 M	\$7.9 M	\$8.5 M	\$2.7 M	\$4.6 M	\$4.6 M	\$1.1 M	
Financial Results													
Return on Cost	8.1%	8.1%	8.2%	7.0%	7.0%	8.1%	7.6%	8.1%	#N/A	7.0%	7.0%	7.0%	
Building Value	\$141 M	\$109 M	\$137 M	\$71 M	\$39 M	\$155 M	\$327 M	\$354 M	\$145 M	\$177 M	\$177 M	\$39 M	
Total Land Value	\$32 M	\$16 M	\$12 M	\$5 M	\$0 M	\$18 M	\$33 M	\$50 M	\$13 M	\$8 M	\$8 M	\$3 M	
Total Value (Land + Building)	\$173 M	\$125 M	\$148 M	\$76 M	\$39 M	\$173 M	\$361 M	\$404 M	\$158 M	\$185 M	\$185 M	\$43 M	
Residual Land													
Value / SF	\$200	\$220	\$180	\$125	\$0	\$260	\$125	\$500	\$400	\$125	\$125	\$125	\$2

\$3.1 M community benefit contribution calculated

Circulation & Transportation: Transit



Circulation & Transportation: METRO's TOD Priority

METRO | TOD PRIORITY TOOL

Auditorium Shores Station

Auditorium Shores Station is located just south of Lady Bird Lake, connected to downtown by the Congress Avenue and First Street Bridges. It serves a cluster of cultural and recreational destinations, including Auditorium Shores Park, the Long Center for Performing Arts, and the Palmer Events Center. Two hotels and a high-rise residential development have been built north of the station. To the east, within walking distance, are key employment centers: the City of Austin, Austin American-Statesman and the Texas Department of Transportation. To the south is the Texas School for the Deaf. The City of Austin's 2014 "South Shore Central Master Plan", which covers the area east of the First Street Bridge, seeks to enhance the waterfront pedestrian and bicycle network and encourage strategic development. One such opportunity is the large triangular lot immediately south of the station. "Imagine Austin" refers to this area as an activity corridor node.

Station Features...

- Digital real-time information display
- Shelter/Bench/Destination Map/Lighting
- Free bike racks (2)

System Connections...

- MetroExpress: 935, 935, 987
- Local bus: 1, 7, 10, 20, 30, 110, 142, 483, 486
- Other (last mile): B-Cycle Stations, Car2Go area

Access to...

1. Auditorium Shores
2. Long Center for the Performing Arts
3. Palmer Events Center
4. The Catherine Apartments
5. Hyatt Regency Hotel
6. One Texas Center

Missing Elements...

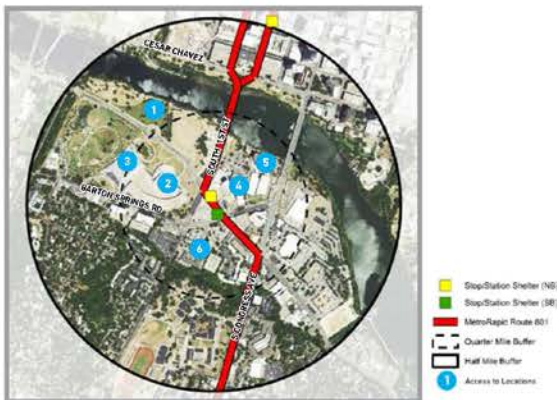
- Dense, compact mixed-use development
- Public realm improvements, including shade, pedestrian-scale lighting, street furniture, and sidewalk improvements
- Safe design, including high visibility at crossings for events
- Pedestrian and bicycle improved connections and crossings
- Wayfinding



Maps ▾ Photos ▾

Ridership/Service

Weekday Ridership (April 2015)	129 on / 125 off
Saturday Ridership (April 2015)	60 on / 104 off
Sunday Ridership (April 2015)	81 on / 77 off
Target Weekday Ridership	250 on
Level of Service	15 min. peak / 30 min off-peak



Demographics

Population (2010)	2,810
Population (2040)	8,030
Population Density (2010)	3,600 ppl / sq. mile
Employment (2010)	11,360
Employment (2040)	14,610
Employment Density (2010)	14,500 emp / sq. mile
Households (2010)	1,830
Households (2040)	4,550
Median HH Size (2010)	1.6
Housing Units (2010)	2,150
Affordable Housing (2013)	0
Median HH Income (2010)	\$52,510
Zero Car HH (2014)	49
Millennial Population Age 25-34 (2010)	1,210
Senior Population Age 65+ (2010)	150

Auditorium Shores | MetroRapid 801

FACTS

Segment	Central
Service Open	2014
Target Weekday Ridership	250
Profile Date	2014

PLACE TYPOLOGY

Central Core

READINESS SCORE

Ready

READINESS METRICS

Connectivity	Medium
Market Strength	Medium
Land Availability	Medium
Government Support	High

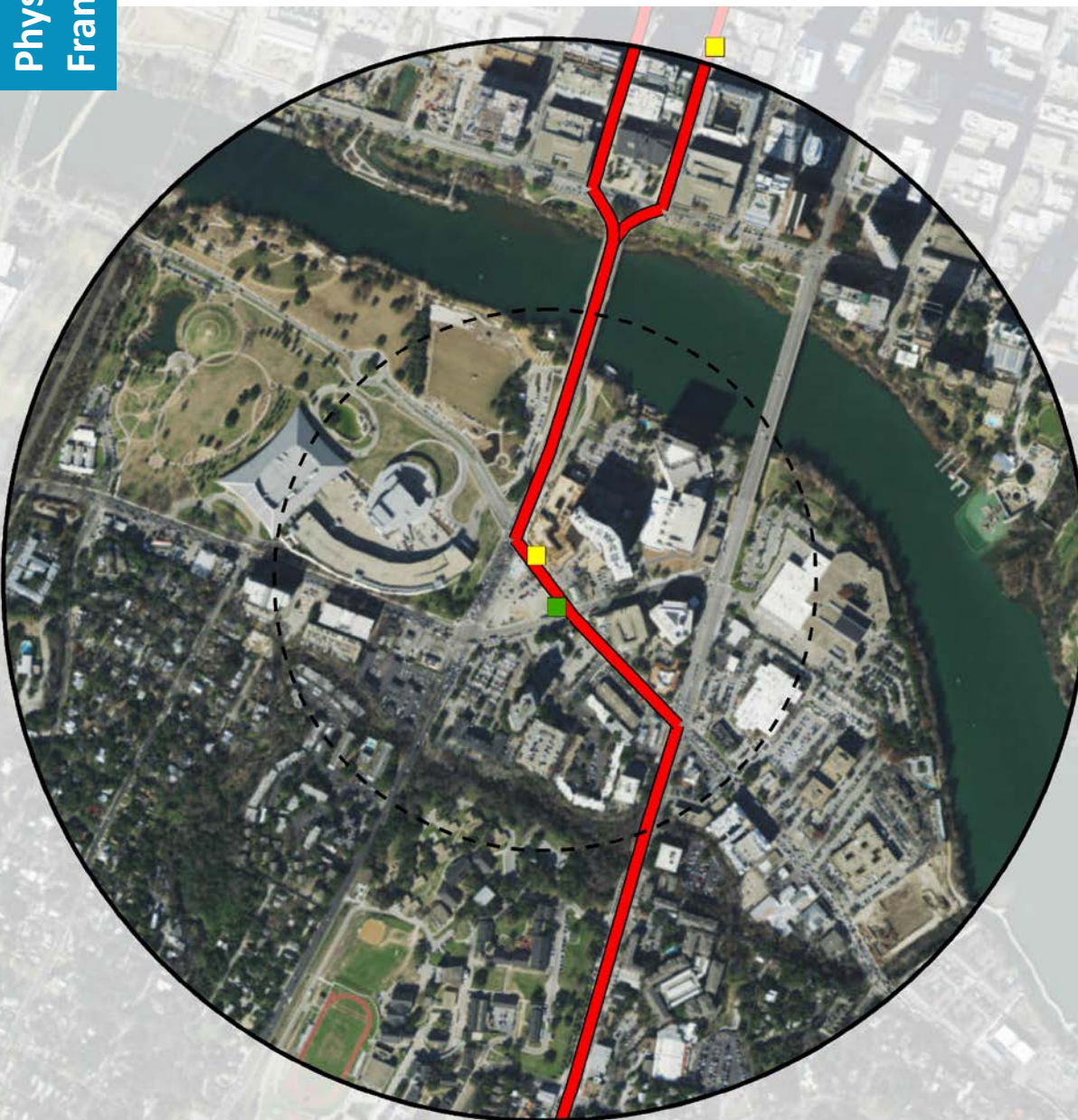
CATALYST PROJECTS

- Safety and security**
 - Additional lighting needed in parking lots, along sidewalks, and at stations
 - Wayfinding to nearby attractions and transportation routes
 - Crosswalk enhancement, pedestrian-scale lighting
- Streetscape improvements**
 - Bicycle/pedestrian improvements to access 1st Street Bridge
 - Widened sidewalks, improve crosswalks
 - Widened bike lanes on Barton Springs Road and traffic flow management
 - Address dangerous blind right turn from Barton Springs Road eastbound onto Riverside Drive eastbound
 - Bike lanes on Riverside Drive
- (Re)development opportunities**
 - Redevelopment of adjacent triangle parcel
 - Austin American-Statesman potential redevelopment
 - City of Austin southside redevelopment project
- Station amenities**
 - Shade
 - Pedestrian-scale lighting
- Other amenities**
 - Wayfinding to note areas within a "10 minute walk"
- Public/Placemaking/Art Opportunity**
 - Limited placemaking opportunity
 - Functional art, e.g., bookend to bat sculpture at South Congress Ave
 - Safe design

CATALYST PROJECTS

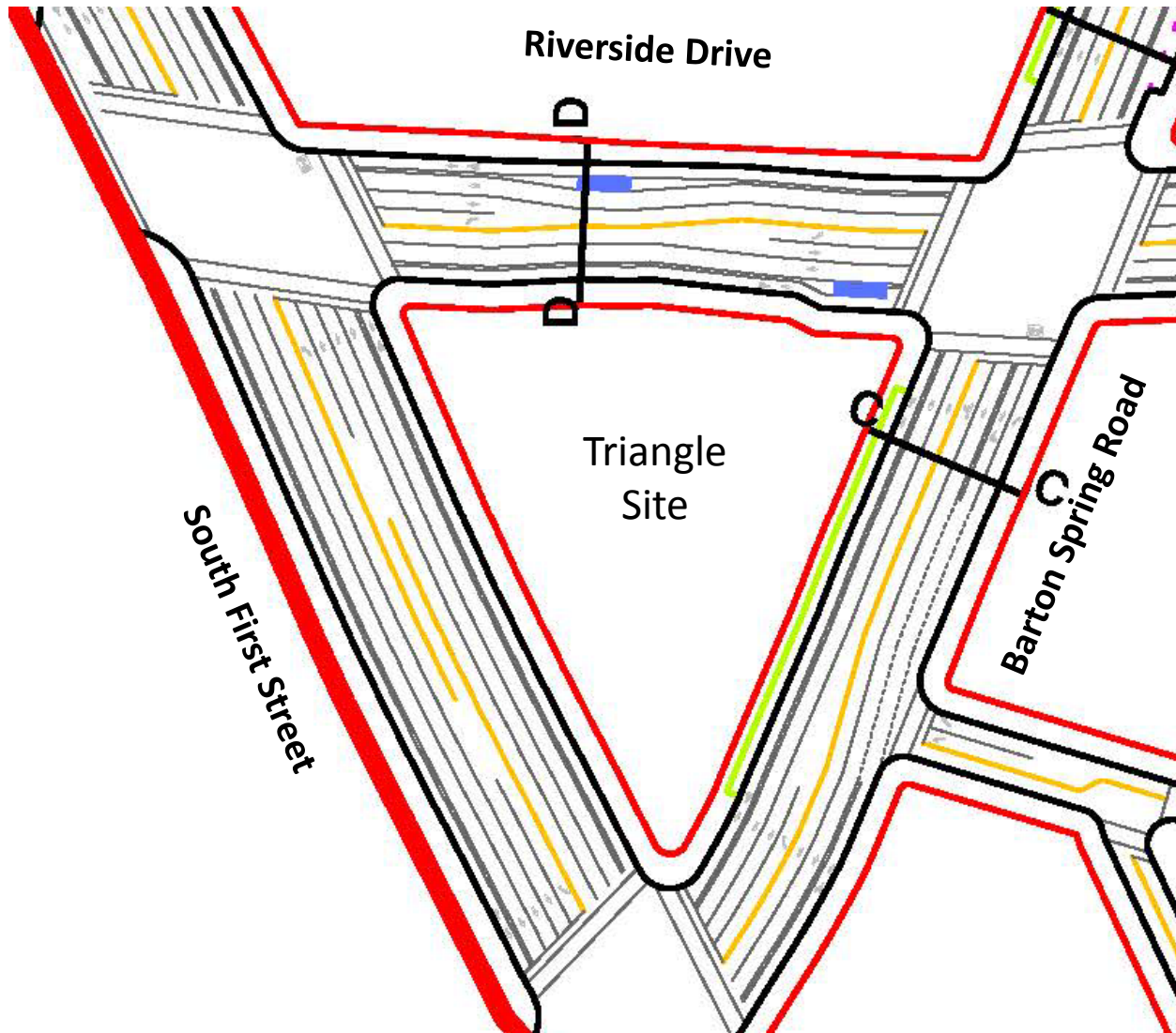
- Various street reconstruction and utility projects
- Various park, promenade and trail projects
- Various Austin Lakes aquatic plant control and restoration projects

Circulation & Transportation: METRO's TOD Priority



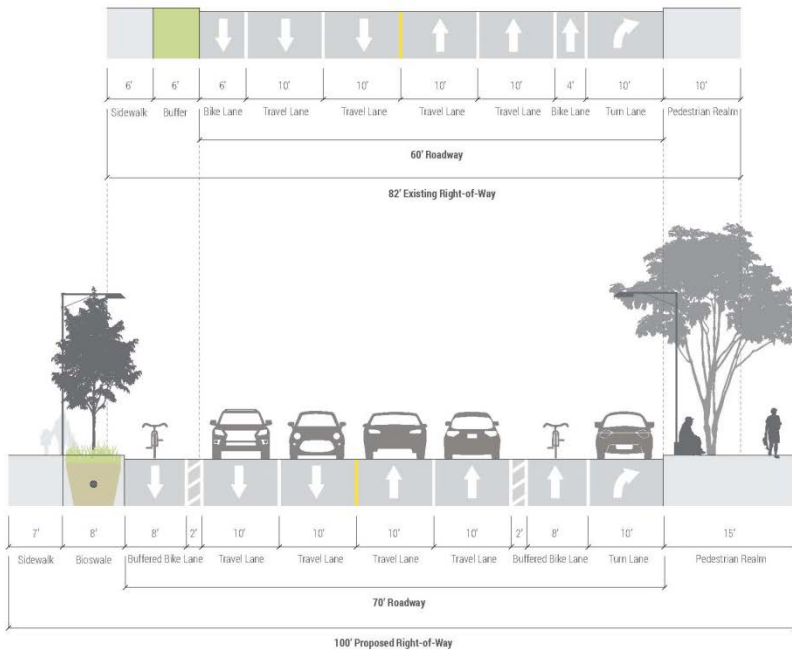
Auditorium Shores | MetroRapid 801

FACTS	Segment	Central
	Service Open	2014
	Target Weekday Ridership	250
	Profile Date	2016
PLACE TYPOLOGY	Central Core	
READINESS SCORE	Ready	
READINESS METRICS	Connectivity	Medium
	Market Strength	Medium
	Land Availability	Medium
	Government Support	High
CATALYST PROJECTS	Safety and security <ul style="list-style-type: none"> Additional lighting needed in parking lots, along sidewalks, and at stations Wayfinding to nearby attractions and transportation routes Crosswalk enhancement, pedestrian scale lighting 	
	Streetscape improvements <ul style="list-style-type: none"> Bicycle/pedestrian improvements to access 1st Street Bridge Widen sidewalks, improve crosswalks Widen bike lanes on Barton Springs Road and traffic flow management Address dangerous blind right turn from Barton Springs Road eastbound onto Riverside Drive eastbound Bike lanes on Riverside Drive 	
	(Re)development opportunities <ul style="list-style-type: none"> Redevelopment of adjacent triangle parcel Austin American-Statesman potential redevelopment City of Austin southside redevelopment project 	
	Station amenities <ul style="list-style-type: none"> Shade Pedestrian-scale lighting 	
	Other amenities <ul style="list-style-type: none"> Wayfinding to note areas within a "10 minute walk" 	
	Public/Placemaking/Art Opportunity <ul style="list-style-type: none"> Limited placemaking opportunity Functional art, e.g., bookend to bat sculpture at South Congress Ave Safe design 	
	CATALYST PROJECTS <ul style="list-style-type: none"> Various street reconstruction and utility projects Various park, promenade and trail projects Various Austin Lakes aquatic plant control and restoration projects 	

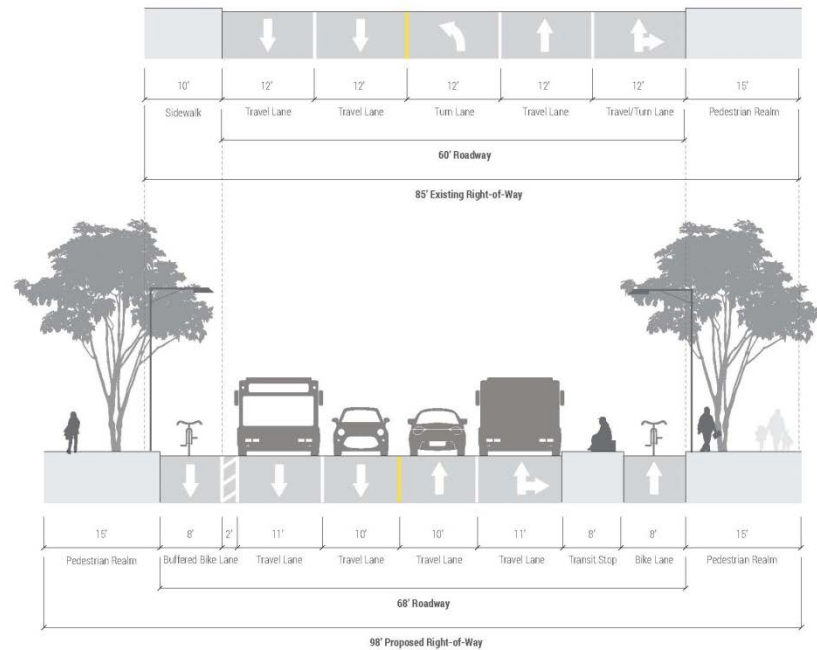


ROW dedication for
Riverside Drive and
Barton Springs Road
for mobility & TOD
improvements, and
green infrastructure
integration

Circulation & Transportation: SCW Plan @ Triangle

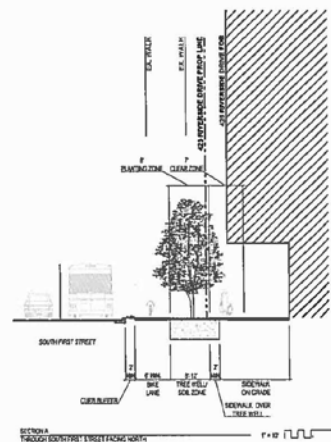
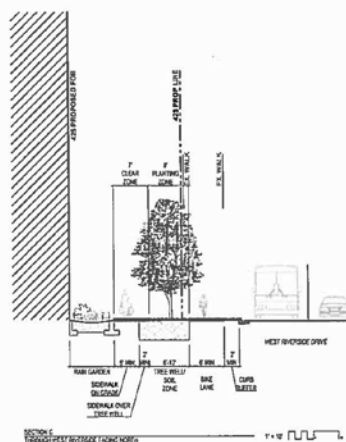
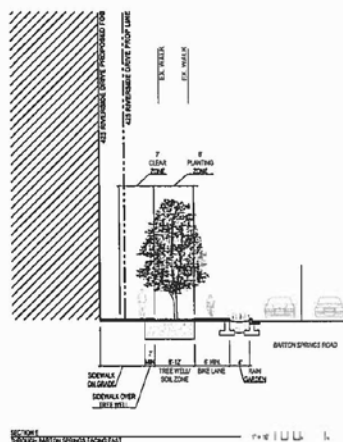


Section C - Barton Springs Road (2)



D - West Riverside Drive (1)

ROW dedication on Riverside Drive and Barton Springs Road for mobility and TOD improvements, and integration of green infrastructure



ENGINEERING | CONSULTING

dwg.

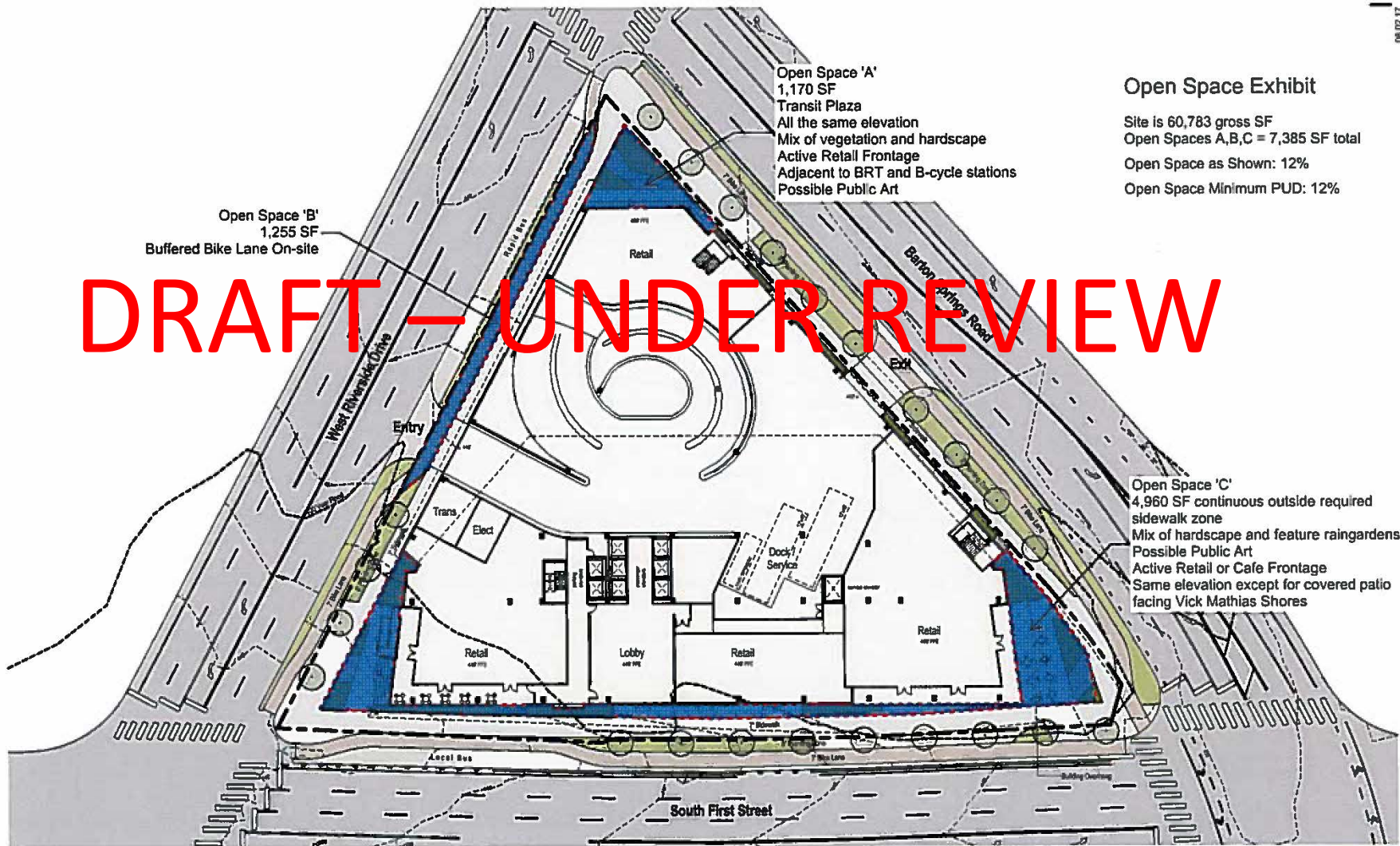
425 WEST RIVERSIDE DRIVE
AUSTIN, TRAVIS COUNTY, TEXAS

EXHIBIT E - STREET CROSS-SECTIONS

EXHIBIT E

CB14-2017-000

DRAFT — UNDER REVIEW



Open Space 'A'
1,170 SF
Transit Plaza
All the same elevation
Mix of vegetation and hardscape
Active Retail Frontage
Adjacent to BRT and B-cycle stations
Possible Public Art

Open Space Exhibit

Site is 60,783 gross SF
Open Spaces A,B,C = 7,385 SF total
Open Space as Shown: 12%
Open Space Minimum PUD: 12%

Open Space 'C'
4,960 SF continuous outside required sidewalk zone
Mix of hardscape and feature raingardens
Possible Public Art
Active Retail or Cafe Frontage
Same elevation except for covered patio facing Vick Mathias Shores

QUESTIONS FOR CONSIDERATION:

1. How is the submission meeting the SCW Plan and what is the differential value to what's provided, beyond commercial design standards?
 1. Streetscape and Mobility
 2. Open Space
 3. Landscape
2. After valuing the SCW Plan contributions above, what balance is left to the calculated community benefit value requirement?
 1. Without the called-for SCW Public Improvement District (PID), what mechanism holds these funds?
 2. Or, what other SCW Plan Public Realm improvement might get paid for/built as the contribution?
 1. What would be the priority project?