

**Urban Renewal Agency, Street-Jones Building**

1000 East 11th Street, Ste 200, Austin, Texas 78702
512.974.3128

September 17, 2018

Mayor and Council Members

Planning Commissioners

Rosie Truelove, Neighborhood Housing and Community Development Director

RE: East 11th and 12th Streets Urban Renewal Plan Extension Request

The purpose of this memo is to submit a request for action from the Mayor and Council to extend the East 11th and 12th Streets Urban Renewal Plan (URPlan) termination date from December 31, 2018 to at least December 31, 2028. At the Urban Renewal Agency's (URA) August 20, 2018, board meeting, the URA voted to approve this ten-year extension, to include a reassessment after 5 years.

The URPlan was originally adopted in January 1999 and has been modified ten times thus far. This plan is governed under Chapter 374 of the Texas Local Government Code and is filed of record on all properties within the URPlan boundaries. Chapter 374 does not require an expiration date for an urban renewal plan. The Agency's outside legal counsel has advised an extension of the URPlan could be accomplished by the City Council through any process it determines appropriate.

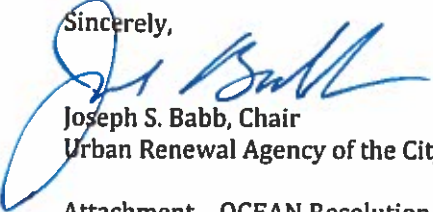
It is important to acknowledge that the URPlan area has undergone significant change in recent years, but has not yet fulfilled its potential as a mixed-use urban community. Numerous vacant parcels and/or vacant buildings still exist in the URPlan area, and East 11th and 12th Street corridors remain underutilized and inconsistent with community vision. The URA feels this extension is necessary in order to finish their purpose of eliminating slum and blighting influences within the area by: (1) disposing of the remaining URA-owned properties along East 11th Street; (2) establishing clear and enforceable land use restrictions to control development after disposition of these properties; (3) identifying strategies to encourage and monitor timely, URPlan compliant development of current undeveloped parcels; and (4) continuing the facilitation of community engagement.

The Organization of Central East Austin Neighborhoods (OCEAN) supports this proposed extension and has provided the attached resolution.

We are working with the City of Austin's Neighborhood Housing and Community Development Department (NHCD) to place an item on or before the November 1, 2018, council agenda so the East 11th and 12th Streets Urban Renewal Plan ten-year extension can be considered.

Should you have any questions, please contact the Urban Renewal Agency staff liaison, Sandra Harkins at 512.974.3128 or at sandra.harkins@austintexas.gov.

Sincerely,



Joseph S. Babb, Chair
Urban Renewal Agency of the City of Austin

Attachment – OCEAN Resolution

A resolution of the Organization of Central East Austin Neighborhoods (OCEAN) to request extension of the Urban Renewal Plan for East 11th and 12th Streets for a period of at least ten years.

WHEREAS the voters of Austin in 1959 elected to create an Urban Renewal Agency (Agency) to carry out Urban Renewal project powers in accordance with Chapter 374 of the Texas Local Government Code; and

WHEREAS the City of Austin adopted the Urban Renewal Plan for East 11th and 12th Streets (Plan) in 1999 to restore the vitality of formerly thriving African-American business corridors by promoting development of retail, residential and commercial uses that would respect and enhance adjacent neighborhoods; and

WHEREAS it tasked the Agency with implementation oversight, including compliance with the Plan's vision and project controls; and

WHEREAS a preponderance of properties within the Plan area remain undeveloped in accordance with the vision and controls; and

WHEREAS, the Plan area is integral to the African American Cultural Heritage District, and significant historic assets within the Plan area have fallen into neglect, including a City of Austin landmark and buildings identified as eligible for landmark status by the 2016 East Austin Historic Survey; and

WHEREAS the Agency retains ownership of several parcels of land on East 11th Street that require dispossession and development; and

WHEREAS, former Agency properties along East 12th Street that were disposed of via Request for Proposal in 2014 remain undeveloped, and one has been sold to a new owner without authorization of the Urban Renewal Agency; and

WHEREAS the Plan is set to expire on December 17, 2018; and

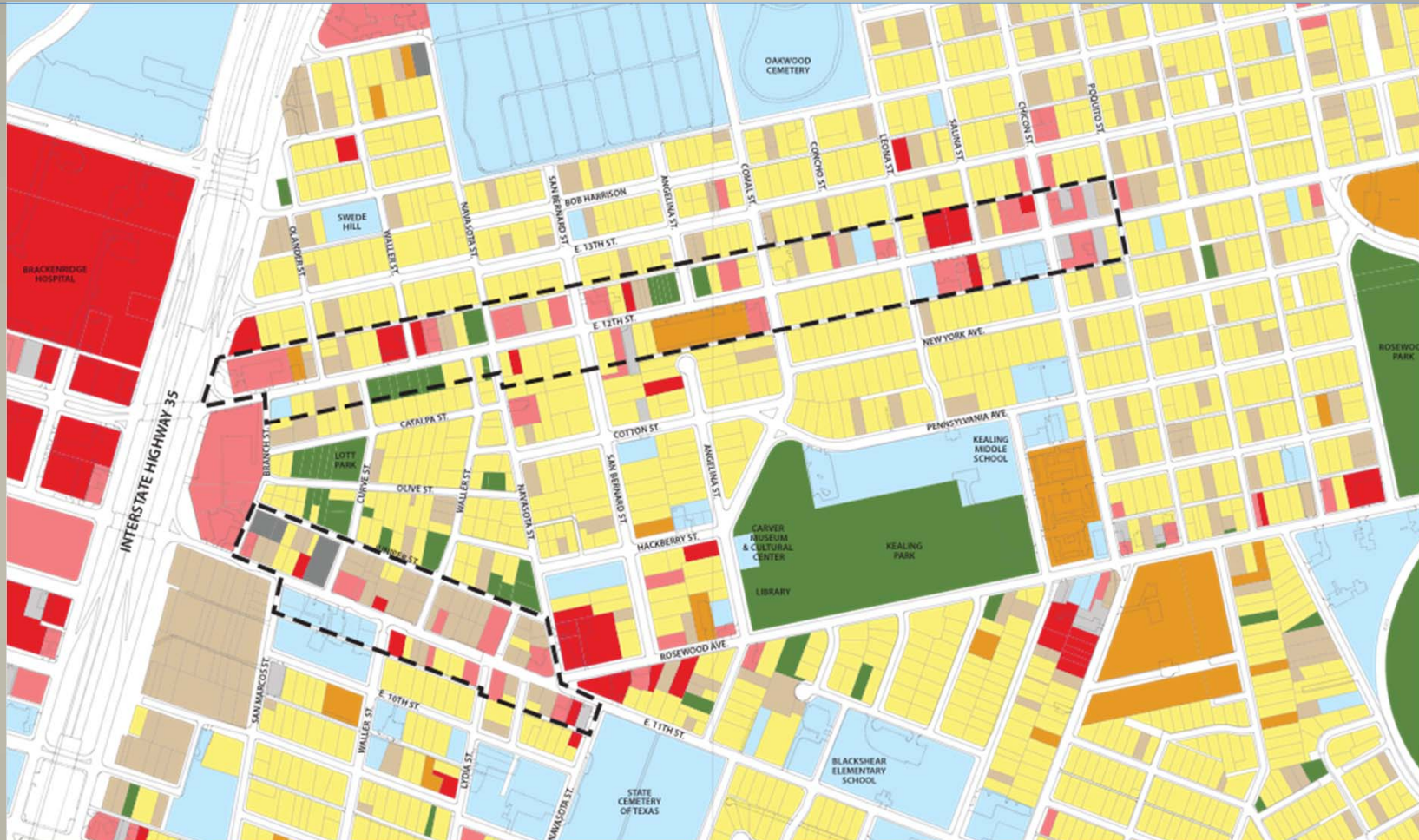
WHEREAS Austin City Council may extend the Plan's expiration date by ordinance; and

WHEREAS, extension will ensure adequate time to foster compliance of all parcels and to fulfill the promise of a twenty-year renewal effort in which thousands of area stakeholders along and nearby East 11th and 12th Streets have invested their time, energy, and resources; and

WHEREAS all but two blocks of the Plan area lay with the Central East Austin Neighborhood Plan Area boundaries and OCEAN serves as the contact team for six neighborhoods directly impacted by successful implementation of the Plan—including Swede Hill, Robertson Hill, Kealing, Davis-Thompson, Guadalupe and Blackshear-Prospect Hill Neighborhoods;

THEREFORE BE IT RESOLVED that the Board of Directors of the Organization of Central East Austin Neighborhoods supports the extension of the Urban Renewal Plan for East 11th and 12th Streets for at least a ten-year period and encourages Austin City Council to adopt in a timely manner an ordinance to such effect, that being prior to the Plan's current expiration date.

DRAFT



East 11th & 12th Urban Renewal Plan

Recommendation to Extend Termination Date

Planning Commission Meeting
September 25, 2018

Why Are We Here Today?

- The Urban Renewal Plan (URP) and the Redevelopment Project Controls are set to expire after December 31, 2018.
- Numerous vacant parcels and/or vacant buildings still exist in the plan areas.
- East 11th and 12th Street Corridors remain underutilized and inconsistent with community vision.
- Board directed staff to develop rationale for a recommendation to extend the plan indefinitely.

Study Area Boundaries



E. 11th Street from Branch/San Marcos to Navasota St.

E. 12th Street from IH 35/Branch to Poquito St.

Chapter 374,TX Local Gov't Code

- A municipality may exercise urban renewal project powers through an Urban Renewal Agency created under this subchapter.
- An urban renewal plan may be modified at any time.
- Does not require an expiration date for an urban renewal plan
- Does not address how to terminate or extend a termination date of an URP
- An extension of the URP could be accomplished by City Council through any process it determines appropriate.

URP Background

- East 11th and 12th Street Urban Renewal Plan (URP) vision was set by community and adopted by Council in 1999
 - Amended 10 times
- Plan area overlaps with Neighborhood Conservation & Combining Districts (NCCD) on both 11th & 12th Streets that, in some cases, duplicate project controls
- Set to expire December 31, 2018

Urban Renewal Board Mission

The Board's primary responsibility is to oversee the implementation and compliance of approved Urban Renewal Plans that are adopted by the Austin City Council.

An Urban Renewal Plan's primary purpose is to eliminate slum and blighting influence within a designated area of the city.

URP: The Community's Vision

The vision set by community and adopted by Council:

- Re-establishes corridors as a thriving mix of commercial, retail & housing
- Preserves or rehabilitates historic and cultural assets
- Spurs private investment and create sustainable community that includes businesses, jobs, and services
- Establishes regulatory controls intended to assure quality, compatible, mixed-use development

URP Vision for Blocks 16 and 18 (on East 11th Street)

On the westernmost portion of East 11th Street, physical topography and market demands are such that opportunities exist for development of mixed-use retail and housing on the north and south side of the street. New development could include bookstores, eateries, coffeehouses, and other like uses on the ground floor, with two stories of housing units above.

Prepared on behalf of Austin Revitalization Authority by Crane Urban Design Group

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NEW VISIONS OF EAST AUSTIN:
East 11th & 12th Streets Urban Renewal Plan (URP)

The other end of East 11th Street, near Navasota, serves as an eastern gateway into the East 11th Street corridor. Already, a smaller-scaled office and retail node has begun to develop in this area, with several opportunities for further office/retail development.

“Ideally the project will include a mixture of public space, commercial office, neighborhood-scale retail for small business opportunities and affordable housing for families. Respect the scale of historic buildings that remain, as well as the vision outlined in the Urban Renewal Plan and NCCDs.”

-Robertson Hill resident

URP Vision for East 12th Street

In contrast, East 12th Street has been conceived as a more residentially compatible opportunity for neighborhood-based retail, small-scale offices, and housing. Consistency with existing housing is of primary importance. All efforts should be made to rehabilitate owner-occupied housing, when it is the owner's wish and it is economically feasible. The design of the corridor includes efforts aimed at maintaining existing setbacks, street greenways, and architectural detail. Examples of potential development include doctors and lawyer's offices, a laundry, convenience stores, bed and breakfasts, duplexes, and townhomes. The expressed community desire includes encouraging as much retail development as possible along East 12th Street. To address market questions pertaining to the magnitude of new retail that can be supported -- even within a revitalized study area -- most development areas along East 12th Street contain flexible controls to allow for commercial development of a certain character as market forces allow. Specifically prohibited, however, are liquor stores and automotive-related uses.

Urban Renewal Board Goals

What's left to accomplish:

- Dispose of Urban Renewal Agency-owned property along East 11th Street
 - Establish clear and enforceable land use restrictions to control development and use of property after disposition.
- Revise scoring criteria matrix to better favor timely development that's consistent with URP project controls, priorities, and vision, prior to releasing RFP or reviewing unsolicited proposals
- Identify strategies to encourage and monitor timely, compliant development of undeveloped parcels
- Continue to facilitate community input & engagement

URP Area Today

- Demographically dynamic area near Downtown, Capitol Complex, UT, Mueller, etc.
- Higher incomes and fewer families and seniors; major concerns about long-term affordability
- East 11th Street has seen much revitalization.
- East 12th Street has seen some revitalization, but many parcels still remain vacant, or host boarded up and unoccupied buildings.
- Much of the vacant/underdeveloped on East 12th Street property is now owned by one entity

Public Land – East 11th Street

- 900 Block of East 11th Street (Block 16) –
- 1100 Block of East 11th Street (Block 18) –

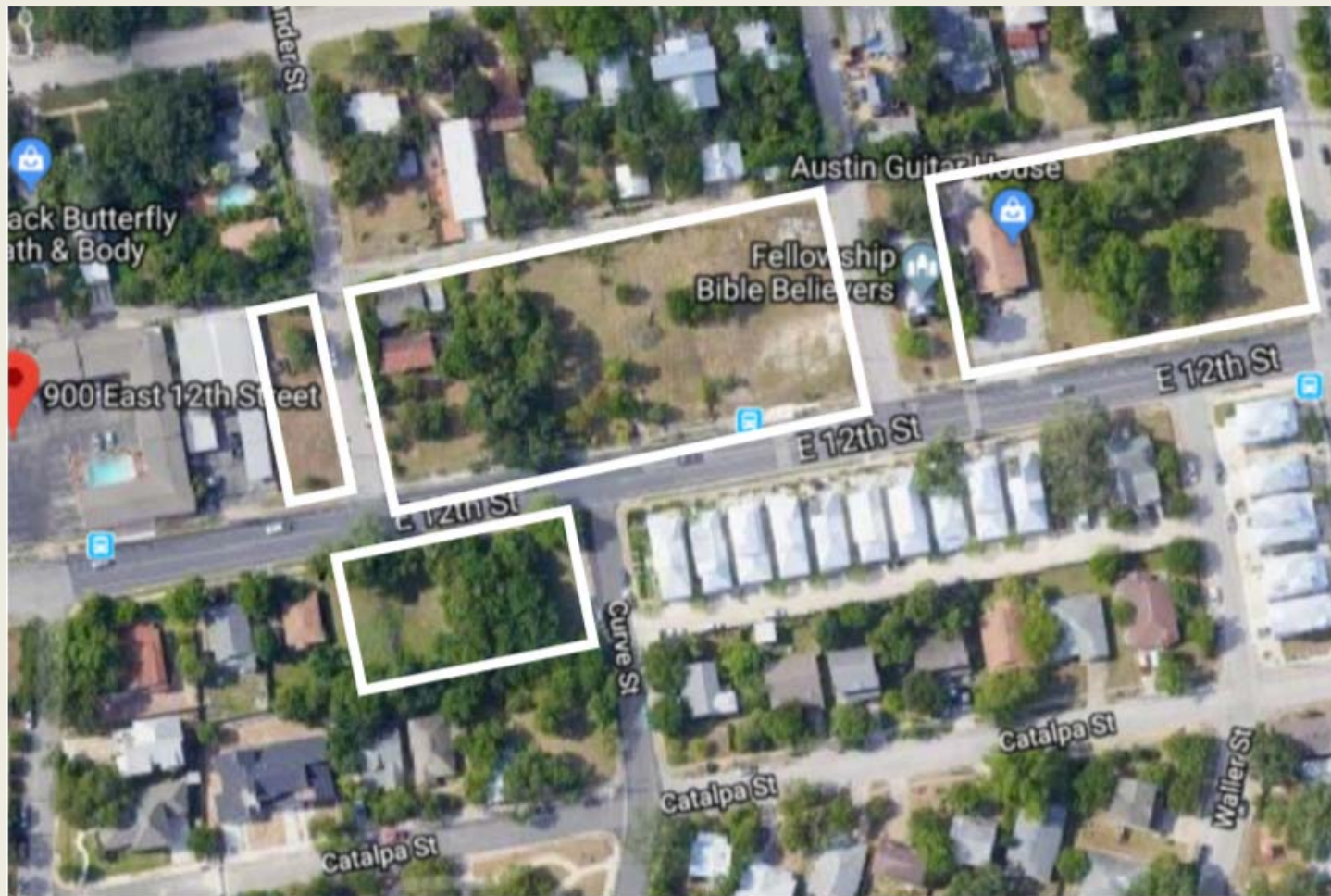
Block
16



Block 18



East 12th Street Vacant Parcels



East 12th Street Vacant Parcels



Historic Assets in Plan Area



I.Q. Hurdle House – listed on East Austin Historic Survey, northwest corner of East 12th & Comal

Historic Assets in Plan Area



Former Eisenbeiser Grocery Store, northeast corner of
East 12th & Chicon St.

Compliant and Completed Projects



Townhomes in
Robertson Hill



Office/creative
space at E. 12th
& San Bernard

The Future of the URP Area

- Plan expires in less than six months
- Future LDC rewrite
- Major changes in land ownership: from local family-owned single/small parcels to large, re-subdivided holdings by single investment firm not located in Austin
- Where are affordable housing, community benefit, and neighborhood compatibility prioritized?
- Centennial of the 1929 City of Austin Master Plan in 2029

Next Steps

- Incorporate Organization of Central East Austin Neighborhoods (OCEAN) resolution to extend URP for at least 10 years into Board's recommendation to Council
- Communicate recommendation to City Council regarding Urban Renewal Plan extension
- Engage community stakeholders to create development priorities and RFP scoring criteria for Blocks 16 & 18; finalize process for disposition
- Engage major landowners along East 12th Street in public discussion regarding plans, projects, and timelines for development conforming with URP vision and controls