



SOUTH CENTRAL WATERFRONT ADVISORY BOARD RECOMMENDATION 20180917-3D

Date: September 17, 2018

Subject: Reengagement of consultant services to complete the
South Central Waterfront Regulating Plan

Motioned By: James Schissler

Seconded By: Alfred Godfrey

Recommendation

The South Central Waterfront Advisory Board recommends that the City Council directs the City Manager to identify funding and to reengage consultant services to assist Staff in completing work for the opt-in bonus zoning, called a Regulating Plan, for the South Central Waterfront district.

Description of Recommendation to Council

Two sub-consultants who were part of the CodeNEXT consultant team had been assigned to assist Staff with completing the draft South Central Waterfront *Regulating Plan* (i.e., opt-in zoning). One of those sub-consultants, who specializes in finance, had only begun the critical work of calibrating the financial components of the draft SCW Regulating Plan in July 2018, a month before the disbandment of the CodeNEXT project. In order to complete the draft of the South Central Waterfront *Regulating Plan*, the two sub-consultants from the abandoned CodeNEXT project will need to be funded and authorized to finish their work.

Rationale:

The City Council adopted the South Central Waterfront Vision Framework Plan (SCW Framework Plan) in 2016. The SCW Framework Plan established a vision to leverage redevelopment to retrofit a new compact and connected public realm into a patchwork of private properties, creating a districtwide network of green streets, parks, trails and public open spaces (approximately 20 new acres), as well as achieving 20% new affordable housing units in the district (estimated to be over 500 units). To realize the vision, the SCW Framework Plan recommends a series of interdependent implementation measures including development of opt-in zoning regulations (i.e. *Regulating Plan*), adoption of innovative financial tools (most importantly, creating a Tax Increment Finance Zone, or TIF), fostering public-private partnerships, leveraging the single city property at One Texas Center for affordable housing, and strategic capital investments in infrastructure.

The SCW Framework Plan is based on a conceptual framework that would allow site-specific building enhancements in exchange for on-site and districtwide community benefit contributions. To facilitate this exchange, the SCW Framework Plan calls for the development of a South Central Waterfront *Regulating Plan* (SCW *Regulating Plan*) which would provide the opt-in zoning regulations for properties to gain enhanced development entitlements in exchange for required and specific community benefits.

The 2016 SCW Framework Plan called for coordination with the CodeNEXT consultant team in order to develop the SCW *Regulating Plan*. Staff who are leading the implementation of the SCW Framework Plan had started coordination with two key sub-consultants from the CodeNEXT team (McCann Adams Studio, for urban design/planning; and ECONorthwest, for finance/economics). Under the CodeNEXT contracts, McCann Adams Studio had begun assisting Staff with the SCW *Regulating Plan* in fall, 2017, and much of their work had been accomplished but not finished. In order to complete the critical financial aspects of the SCW *Regulating Plan*, ECONorthwest had been authorized under CodeNEXT to begin services in July 2018, but their work had barely started when all consultant assistance was halted in August 2018 with the disbandment of CodeNEXT.

In order to complete the SCW *Regulating Plan*, the sub-consultants who had started their services under the CodeNEXT contract will need to be reengaged in order to complete their services. This is especially important with regards to the financial sub-consultant, as the financial components of the SCW *Regulating Plan* are the most critical missing link to completing the *Regulating Plan*.

Coincidentally, Council passed resolution 2018-0823-007 which instructs Staff to recalibrate the existing density bonus programs. The work that is required for completing the SCW *Regulating Plan* is unique from other density bonus programs in Austin, in that the SCW tackles both infrastructure and affordable housing, and the SCW integrates other financial tools, particularly TIF funds, in the calculations. Nonetheless, the work that is needed for the SCW *Regulating Plan* can help inform this other effort.

More importantly, earlier this summer the Finance Office engaged and is now managing consultant services (Capitol Market Research) to develop the South Central Waterfront Tax Increment Finance (TIF) Study, which is called for as part of the implementation of the SCW Framework Plan. The Staff and team working on the SCW *Regulating Plan* had just begun coordination with the Finance Office and the TIF consultant to ensure that these interrelated financial components of the TIF and the *Regulating Plan* would work together to accomplish the SCW vision. Timely reengagement of consultant services to finish their work on the SCW *Regulating Plan* will also ensure that the financial analysis is coordinated with the SCW TIF Study that is currently underway.

Vote

For: Brooke Bailey, James Schissler, Francoise Luca, Samuel Franco, Alfred Godfrey, Cory Walton, Wendy Price Todd

Against: none

Abstain: none

Absent: none (one seat vacant)

Attest: Brooke Bailey, chair

