

Mueller Redevelopment

M U E L L E R



**Plan Implementation Advisory Commission
Affordable Housing Update – September 10, 2019**

Vision

Mueller will be an interactive, mixed-use community that will be a model for responsible urban development, offering a compact pedestrian-oriented alternative to the land-consumptive and automobile-dependent development patterns that could influence the form and pattern of growth within Austin.

Goal

Redevelopment must offer a wide range of housing choices in order to create a new community of socially and economically diverse residents.



Overall Approach & Roles

Initial Program Design & Strategy

- City of Austin & Catellus
- Francie Ferguson & consultants (Compass Advisors)

Development Implementation

- Catellus/AH Builders – Product & pricing
- Catellus/AH Builders/Program Administrator – marketing & outreach
- PIAC/CDC – community oversight

Long Term Strategy & Implementation

- Mueller Foundation – nonprofit governing body
- Mueller Foundation/Program Administrator – resale program
- Program Administrator – operations and management

Administration

- Program Administrator – education and credit counseling
- Lenders/Program Administrator – screening buyers
- City of Austin/Program Administrator – monitoring compliance



MDA Requirement – Affordable Housing

- MDA requires 25% affordable housing built during development
- MFI requirement
 - For Sale \leq 80% MFI
 - For Rent \leq 60% MFI
- Affordability period (per S.M.A.R.T. Housing)
 - For Sale = one year
 - For Rent = five years
- Indistinguishable and interspersed
- AEGB 3-Star
- Good faith effort to deliver longer and deeper affordability



Development Status – Number of Units



MDA requires 25% affordable housing – projected 1,550 units total
Status as of June 1, 2019:

Housing Type	Total # of Homes Offered	Total # of Affordable Homes Contracted	% of Affordable Homes
For-Sale	2,170	584	26.9%
For-Rent	2,519	762	30.3%
Total	4,689	1,346	28.7%



Median Family Income

For Sale
For Rent Requirement

MDA Requirement

<= 80% MFI
<= 60% MFI

Current MFI

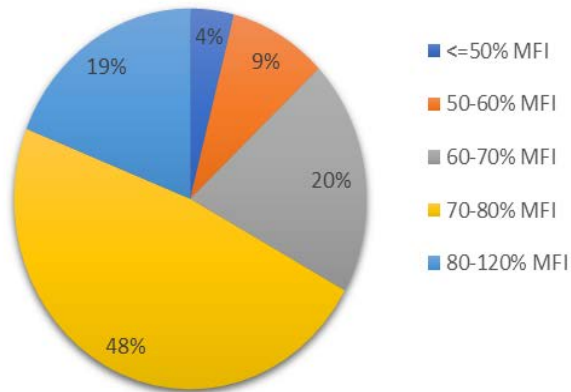
<50% to 80%
<30% to 60%

Over and Above (a broader qualification in addition to what is required)

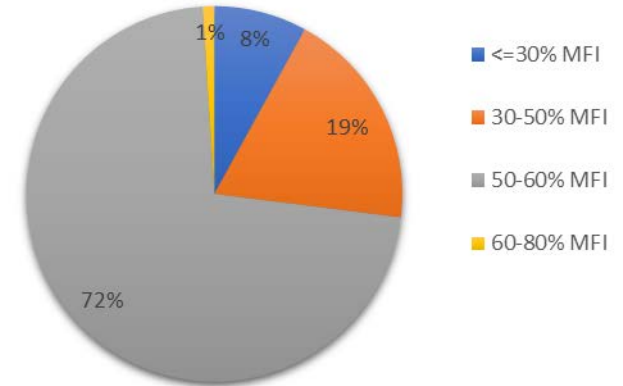
For Sale
For Rent

up to 120%
up to 80%

MFI of Home Buyers



MFI of Affordable Renters



	<u>MDA</u>	<u>Current</u>
For-Rent Requirement	5 years	50-99 years
For-Sale Requirement	1 year	long term





Garden Homes



Yard Homes



Row Homes



Mueller House Condos

Product/Design – For Rent

M U E L L E R

Wildflower Terrace



AMLi @ Mueller



Sync @ Mueller



AMLi @ Aldrich



Aldrich 51



Mosaic @ Mueller



The Jordan – Coming Soon



Purpose:

The Mueller Foundation is a 501C-3 non-profit corporation created by Catellus to support and fund long-term community goals for Mueller with an emphasis on affordable housing



Mueller Foundation Board Members:

- Ray Brimble, President & CEO Lynxs Group
- Suzanna Caballero, SVP, Small Business Lending Manager, Vantage Bank
- Robert D. Repass, Partner, Maxwell, Locke & Ritter
- Kerry Tate, Moore/Tate Builders
- Geraldine Tucker, VP HR, Austin Community College
- Jim Walker, Director of Sustainability, UT
- Greg Weaver, EVP, Catellus
- Matt Whelan, Principal, RedLeaf Properties

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- Patti Summerville, Executive Director, Mueller Foundation



- Ensure sustainability and quality of the program over the long-term
- Retain as many units as possible for as long as possible
- Ensure housing remains affordable
- Ensure geographic dispersion of affordable homes
- Ensure variety of product types remain affordable
- Ensure success of homeowners in the program

Row Homes by David Weekley



Program Results:

485 Affordable homes (long-term, resale-restricted ownership)

94 Homes resold to qualified buyers

66 Homes refinanced

0 Foreclosures

Summary Time Period:

Inception (2008) to Date (as of May 31, 2019).

Yard Homes by David Weekley



- Production
- Pricing
- Marketing
 - Buyer outreach
 - Realtor education
- Homebuyer Education
- Screening/Selection
 - Verifying eligibility
 - Managing interest list
- Financing
 - Identify lenders
 - Approve loans, refinancing requests
- Monitoring
 - Occupancy
 - Maintenance
- Resale Management
- Enforcement



Giving Focus: Affordability, Education & Sustainable Neighborhoods

Affordability

- Mueller Shared Appreciation Housing Program
- Sustainable affordability
- Personal/family financial education

Quality Education

- Public education
- Pre-school and after-school youth
- Mentoring and tutoring
- Career, college and workforce preparation
- Art and culture

Sustainable Neighborhoods

- Natural resources
- Recreation, parks, amenities, open spaces, trails
- Life-long wellness/fitness/recreation
- Diverse and sustainable communities



The Mueller Foundation is a donor-advised fund of the Austin Community Foundation

- **Affordable Housing:** Frances Ferguson; HousingWorks; National Experts
- **Program Administration:** Community Wheelhouse, Kelly Weiss, President
- **Long-Term Financial Planning:** Merrill Lynch; ACF
- **Legal Structure/Issues:** Scott Marks, Coats Rose
Rick Reed, DuBois, Bryant & Campbell
Lorri Michel, Michel Gray
- **Community/Communications:** Kerry Tate, Betty Dunkerley, Lee Thomson, Civic Interest, LLC
- **Auditors:** Brown, Graham & Company
- **Property Taxes:** Texas ProTax



Oversight for Development Implementation

- Catellus – Builder via contract obligations including pricing, location, product types, length of affordability
- City of Austin/Economic Development Department (EDD)/ Neighborhood Housing Community Development (NHCD) – Catellus via Semi-Annual Report on MDA requirements
- Design Book/NCC – Builder design requirements
- AEGB – Builder green building requirements
- City of Austin (EDD) – Catellus via annual development audit

Mueller House by CalAtlantic



Oversight for Long-Term Strategy & Implementation

- Mueller Foundation independent volunteer Board of Directors – Strategy and Program Administration
- Austin Community Foundation – Mueller Foundation Fund Management

Oversight for Administration

- City of Austin/S.M.A.R.T. Housing/NHCD- Monitoring buyer qualification, rents and length of affordability compliance
- Texas Dept. of Savings & Mortgage Lending – Audit every three years of Program Administrator
- Brown, Graham & Company – Accounting auditor



Thank you.



Q&A

