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April 24, 2020

Planning Commission
City of Austin
P.O. Box 1088
Austin, TX 78767

Re: 2001 Guadalupe Street, Austin, TX 78705 (the "Property") (Case No. C14-2020-0007)

Chair & Planning Commission Members:

Thank you for your consideration of this zoning request and the application submitted on behalf of our client Powell Corbett, LLC ("Applicant") for the property located at 2001 Guadalupe ("Property"). I have been in communication with Mr. McHone and understand the objection that he has made to this application on behalf of University Area Partners. Although, the objections are quite lengthy, the approval of the proposed application comes down to two issues. The first is that by opting into the University Neighborhood Overlay ("UNO") the Property can increase density to a height of 65 feet. The second is by opting into UNO an applicant agrees to comply with the design standards.

I proposed to Mr. McHone that if the mixed-use zoning ("MU") if obtained, the Property will be impressed with a restrictive covenant requiring compliance with the UNO design standards per the Applicant's agreement. The fundamental reason the Applicant is requesting MU zoning is because under UNO, the Applicant will be limited to a height of 65 feet. The City of Austin Land Development Code allows applicant 90 feet of height. This 25 foot difference translates to approximately 24, 938 square feet of density.

Specifically, under UNO, developments with 65-foot height limitations typically allow a developer to achieve 5 full stories of building (95% of 8750 = 8312.5 square feet of land X 5 stories = 41,562 square feet of building).

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In contrast the Affordability Unlocked Bonus Program ("AUBP") allows i) Type 1 height limit of 75 feet, assuming 7 stories = 58,187 square feet; and ii) Type 2 height limit of 90 feet assuming at least 8 stories = 66,500 square feet approximately.

In support thereof, please see the April 17, 2020 memorandum from Charles Dunn of Hutson Land Planners Development Consultants, LLC to the Applicant and attached herewith as Exhibit "A" which outlines the differences between UNO and the AUBP.

In addition and in order to alleviate some of the concerns of the University Area Partners, the Applicant is willing to offer that any fee paid by Applicant in lieu of on-site affordability will be restricted for use in the University Neighborhood Overlay area, such that if the proposed CS-MU zoning is approved by City Council, and the Property is redeveloped as a multifamily development, any fee in lieu of on-site affordability monies, would be paid to the City of Austin Neighborhood Housing & Community Development Department and restricted for use in the University Neighborhood Overlay area.

Your attention is appreciated. I will call in to the Planning Commission hearing and will be available for either a presentation and/or questions.

Very truly yours,



John M. Joseph

cc: Mark Graham, Case Manager

Memo

To: Powell – Corbett LLC
From: Hutson Land Planners; Charles Dunn
Date: April 17, 2020
Re: Corbett Property; 2001 Guadalupe Street

As requested, Hutson Land Planners & Development Consultants, LLC has reviewed the University Area Partners (UAP) letter dated April 9, 2020. This memorandum is intended to provide information helpful in the evaluation University Neighborhood Overlay requirements and the Affordability Unlocked Bonus Program (AUBP).

The portions of the letter provided by Michael McHone for the UAP are reviewed below.

UAP Letter

“Although your letter indicates that your client has agreed to the University Neighborhood Overlay (UNO) Design Guidelines and Streetscape, it falls short in providing the increased density and affordability allowed by administratively opting-in to the UNO District.”

Increased density would be obtained for the property through the Affordability Unlocked Bonus Program (AUBP). Allowing for greater density and affordability than allowed by UNO.

UAP Letter

“A comparison of these differences is as follows:

2001 Guadalupe is currently zoned CS and has 8750 Sq ft per TCAD.

CS allows for 95% impervious cover and has a allowed FAR of 2:1;

The street and side yards are required to be 10 ft and the maximum height is 60ft.

There are landscaping and open space requirements for redevelopment with mixed use.”

The AUBP provides for in LDC 25-2-518 - QUALIFYING DEVELOPMENT;

- (D) A qualifying development **is not required** to comply with:
- (1) the height and setback requirements of Article 10 (*Compatibility Standards*) except to maintain side setbacks as required by the base zoning district;
 - (2) the **maximum floor-to-area ratio** for the applicable base zoning district under Section 25-2-492 (*Site Development Regulations*);
 - (3) Subchapter F (*Residential Design and Compatibility Standards*) except to maintain side setbacks as required by the base zoning district;
 - (4) Section 25-2-773 (*Duplex Residential Use*); or
 - (5) **minimum site area requirements.**

AUBP provides in 25-2-534 - QUALIFYING DEVELOPMENT EXCEPTIONS.

(A) In this section, a qualifying development is a development certified under Section 25-1-724 (*Certification*) and participating in the Affordability Unlocked Bonus Program.

(G) If a qualifying development is also eligible to utilize a separate density bonus program that grants density bonuses for the provision of affordable dwelling units or for the payment of a fee-in-lieu for affordable housing, then **the qualifying development may comply with the least restrictive site development requirements if all affordable dwelling units are provided on-site.**

Thus providing the subject property with no required setbacks and no limit on the FAR.

UAP Letter

“Your client is seeking to add MU overlay to the property. The MU has site area requirements based on the bedrooms of the residential units; (LDC Appendix F section 4.2). For comparison purposes I have used the "1200 sq ft of site area for dwelling units with 2 or more bedrooms". ($8750 \text{ Sq ft} / 1200 = 7.29 \text{ units} \times 4 \text{ bedrooms per unit} = 28 \text{ bedrooms}$). The 2:1 FAR yields a total building size of 17500 Sq ft.

The AUBP allows qualifying development not to comply with minimum site area or FAR requirements as stated in above in 25-518 (2) and (5).

UAP letter

“The UNO Dobie Sub-district requires a project to provide UNO streetscape, design guidelines, and onsite affordability. The maximum height is 65 ft. UNO allows for those CS uses that are compatible with a pedestrian dominated environment (Local Uses) and residential uses in commercial base districts through an administrative process of opting-in at Site Plan submittal.

UNO waives all yards, landscaping, and site area requirements and has no FAR. A property with CS base district zoning would be allowed 95% impervious cover.”

The subject property as part of the requested zoning change has agreed to comply with the UNO streetscape and design guidelines. AUBP allows for increased height based on the development qualifying for the program. Type 1 development may construct to a height that is 1.25 of the applicable height of the base district; CS with 60 feet is allowed 75 feet. Type 2 development may construct to a height that is 1.5 of the applicable height of the base district; CS with 60 feet is allowed 90 feet. Commercial uses as allowed in the base district are limited to 25 percent of the gross floor area. FAR restrictions do not apply, impervious cover of 95 percent allowed, front setback of 5 feet is required.

UAP letter

In UNO developments a 65ft height limit typically allows a developer to achieve 5 full stories of building.

(95% of 8750 = 8312.5 sq ft of land X 5 stories = 41,562 sq ft of building).

AUBP allows Type 1 height limit of 75 feet, assuming 7 stories = 58,187 sf of approximately. Type 2 height limit of 90 feet assuming at least 8 stories = 66,500 sf approximately.

UAP letter

“UNO projects require two tiers of affordability. The first tier is required to be on-site and is 10% of the units or bedrooms at 60% of the median apartment rate as

determined by the COA NHCD Department adjusted on an annual basis of the Austin CPI. The affordability term is 40 years and the current rate per month is \$ 887.

The 2nd tier of affordability is 50% of the Austin median rate and is currently \$ 663 per month.

The alternative to providing the 2' tier of Affordability onsite is to pay a onetime fee into the UNO Housing Trust Fund administered by NHCD for the construction in the UNO of projects with 30% or more on site affordability. The current fee is \$1.00 per net sq ft of the residential component of a project. This fee is paid at the completion of the project.”

AUBP also has two types of development; Type 1 requires 25% affordable units and for rental development at least 50% of the total units or sleeping units serving incomes averaging 60 % median family income (MFI) or below and at least 20% of the total units or sleeping units serving households with incomes of 50% MFI or below. Type 2 requires at least 50% of affordable units include two or more bedrooms and for rental development at least 75% of the total units or sleeping units serve incomes 60 percent MFI or below or at least 10% with incomes of 30% MFI or below. Owner occupied development requires at least 75% of units serve 80%MFI or below or at least 50% of the units serving household incomes of 80% MFI or below if the property is located within a ¼ mile of an activity corridor designated by imagine Austin and is served by bus or transit line.

The minimum affordability period for rental development is the greater period as required by City of Austin or Austin Housing Finance Corp (AHFC) funding or 40 years, LDC 25-1-723 (E). Owner occupied dwelling units are 99 years following issuance of a certificate of occupancy, LDC 25-1-723.

Utilization of the AUBP requires a greater percentage of affordable housing than required by UNO and requires in some instances affordable housing for lower MFI participants.

UAP letter

“Given the full benefits of UNO to the redevelopment of the district and accomplishing the goals of the Central Austin Combined Neighborhood Plan, University Area Partners have continuously opposed "one-off" rezoning request for property in the district that can take advantage of opting-in to UNO.”

The vision and goals of the Central Austin Combined Neighborhood Plan are;

Vision

The Central Austin Neighborhood Plan shall preserve the historical character and integrity of single-family neighborhoods. It shall allow multifamily development and redevelopment in appropriate areas to reflect the historical nature and residential character of the neighborhood. The plan will address the needs of a diverse, pedestrian-oriented community and provide safe parks and attractive open spaces. The plan will foster and create compatible density in areas that are appropriate for student housing; new development will be appropriately oriented and scaled relative to its neighborhood in the combined planning area.

Goals

Goal One

Preserve the integrity and character of the single-family neighborhoods.

Goal Two

Preserve the historic character and resources of the Central Austin Combined Neighborhood Planning Area neighborhoods.

Goal Three

Allow mixed-use development along the existing commercial corridors that is pedestrian oriented, neighborhood friendly, neighborhood scaled, and serves neighborhood needs.

Goal Four

West Campus should become a dense, vibrant, mixed-use and pedestrian oriented community.

Goal Five

Provide a safe environment and opportunities for all modes of transport.

Goal Six

Enhance and preserve existing open space, parks, and the natural environment.

The proposed zoning request for 2001 Guadalupe certainly meets the vision and goals as outlined in the Central Austin Combined Neighborhood Plan as requested by the University Area Partners.