



South Central Waterfront

Implementation Update: July 20, 2020

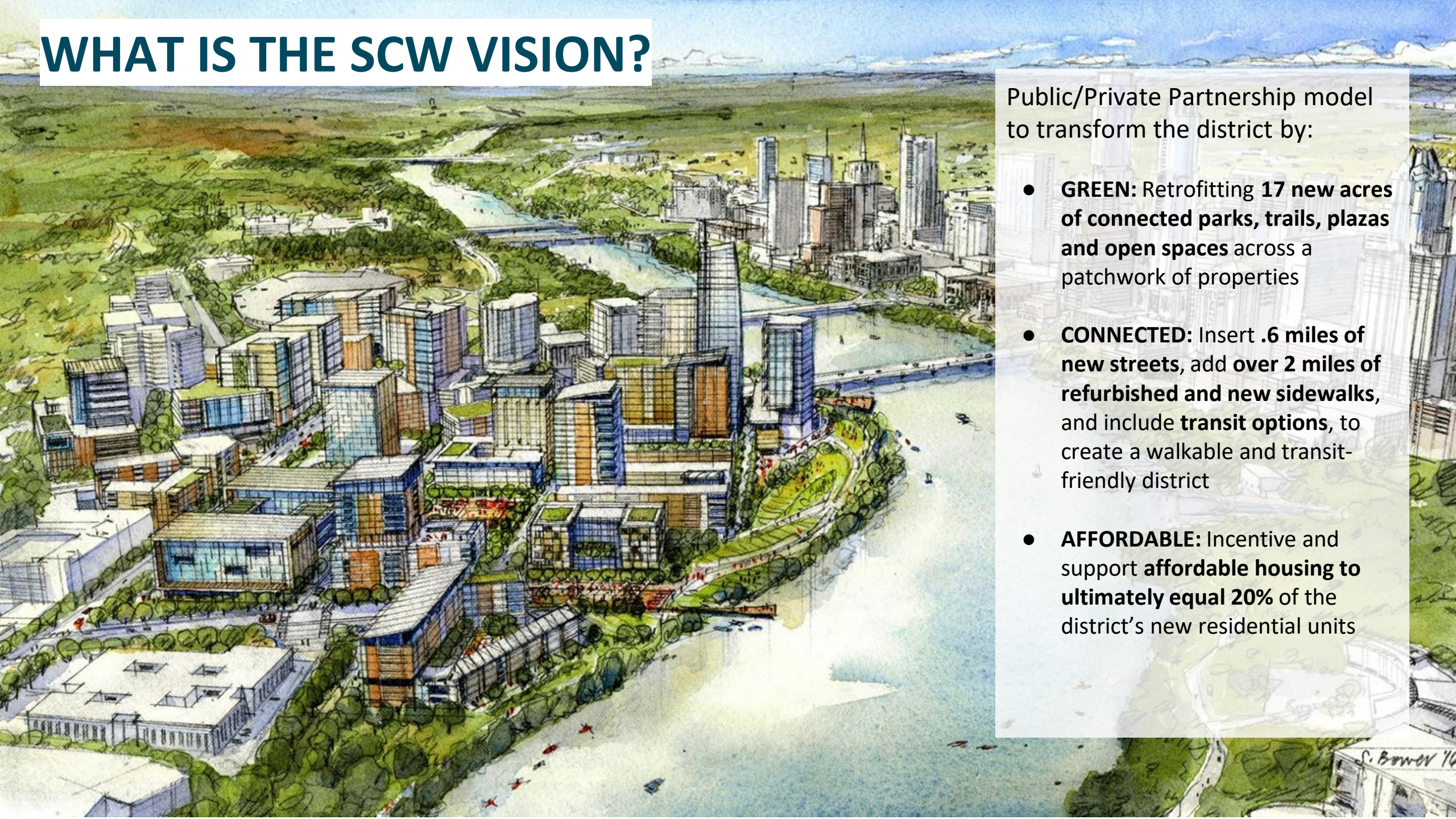
South Central Waterfront Advisory Board | Austin, TX

SCW DISTRICT TODAY



- **97 acres in properties** (118 acres w/ ROW included)
- Patchwork of **34 private properties**, and **1 City-owned property** (OTC)
- **Lack of connectivity** - Could drop 33 downtown blocks in district of superblocks and surface parking
- **Pedestrian-hostile** - Limited walking grid, narrow sidewalks, few street trees, fewer streetscape amenities
- **Scarcity of Greenery** - ~20% of district is surface parking. Sparse tree canopy. Lack of open space.
- **No Affordable Housing** guaranteed.

WHAT IS THE SCW VISION?

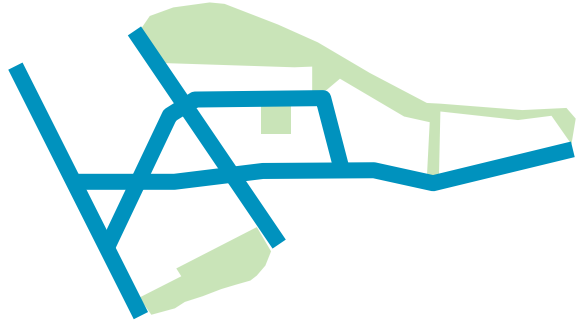


Public/Private Partnership model to transform the district by:

- **GREEN:** Retrofitting **17 new acres of connected parks, trails, plazas and open spaces** across a patchwork of properties
- **CONNECTED:** Insert **.6 miles of new streets**, add **over 2 miles of refurbished and new sidewalks**, and include **transit options**, to create a walkable and transit-friendly district
- **AFFORDABLE:** Incentive and support **affordable housing to ultimately equal 20%** of the district's new residential units

S. Bower '16

FRAMEWORK > Three Legged Stool



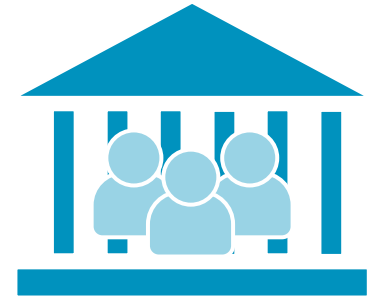
Physical Framework

**Green Streets,
Pedestrian Connections
& Open Space** for a great
public realm



Financial Framework

District-wide **Value
Capture, Strategic
Capital Investments and
Bonus Entitlements** to
fund public realm and
affordable housing.



City Leadership

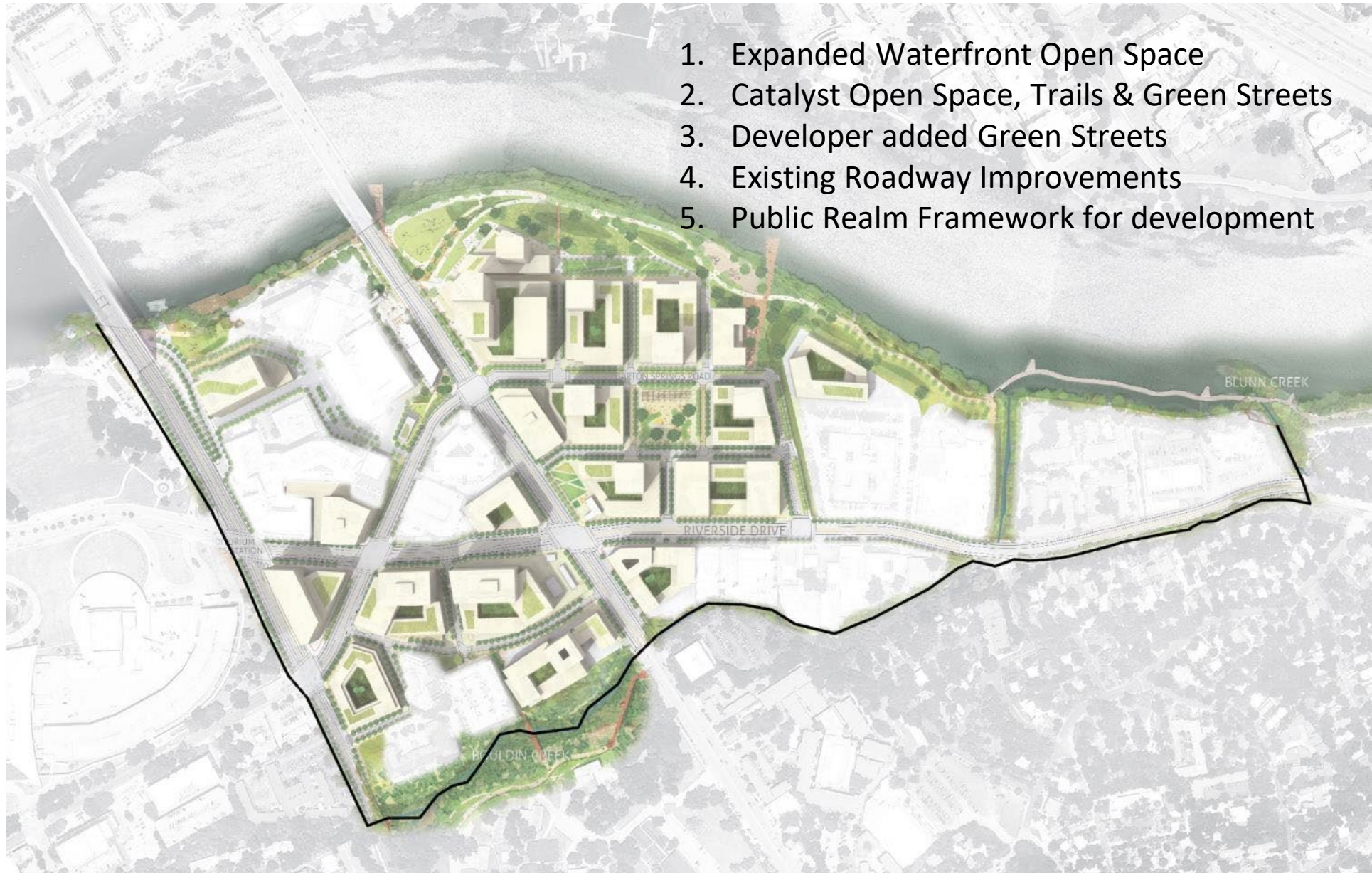
**Public-Private
Partnerships and
Leverage City Assets** in
order to achieve
community goals



PHYSICAL FRAMEWORK

1. 2020 (*MODIFIED*) PHYSICAL FRAMEWORK
2. 2020 TRANSPORTATION & OPEN SPACE PLAN
3. 2020 PHYSICAL FRAMEWORK PROJECT COST

A PHYSICAL FRAMEWORK FOR RATIONAL DEVELOPMENT

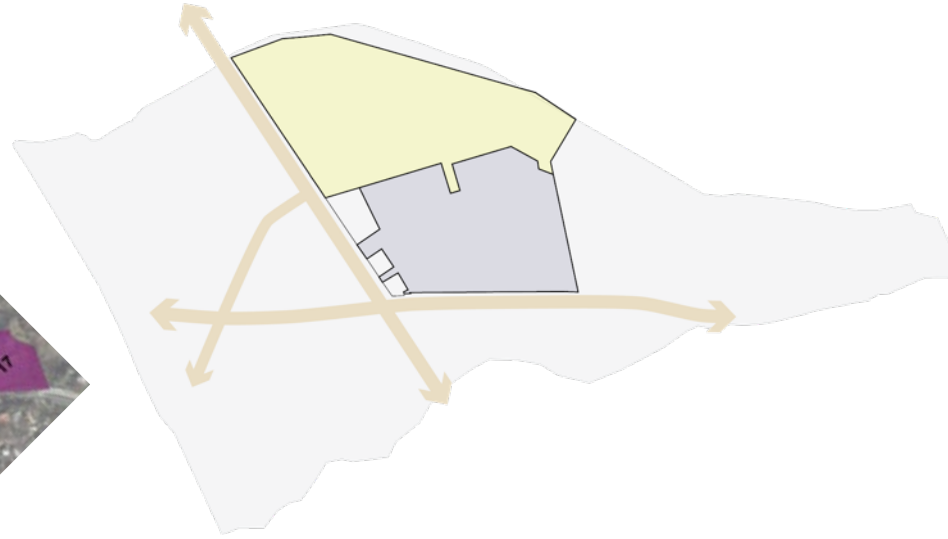


STATESMAN & CROCKETT PROPERTIES - First among equals

35 properties = 97 acres



These 2 properties = 30 acres
(30% of the District's properties area)



In the SCW Vision, these two properties contribute:

65% of District's Open Space

70% of District's New Streets

62% of Projected District Buildout



2020 Modified SCW PLAN UPDATE



2016 SCW Plan

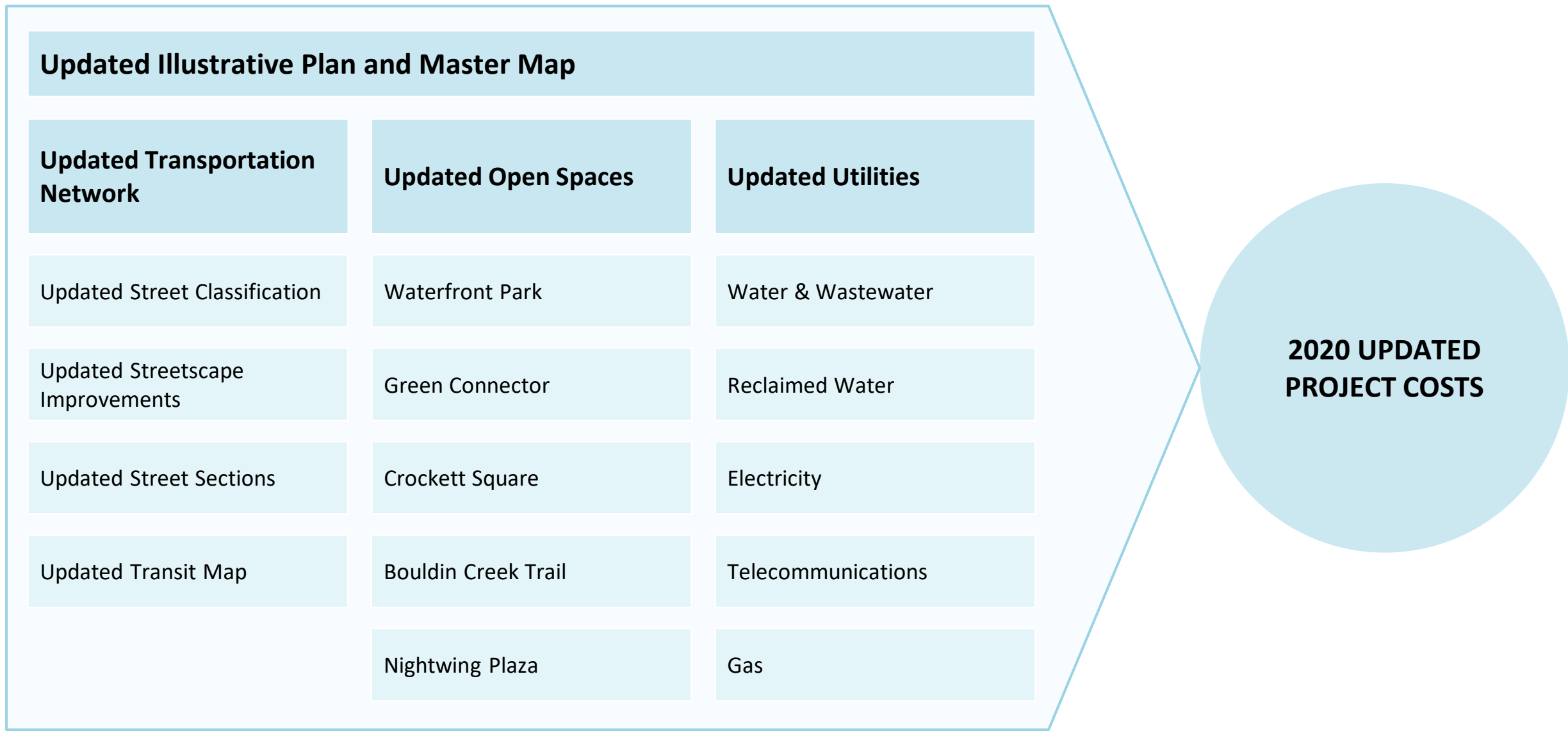
- Block Structure reflects idealized district vision
- Barton Springs Alignment:
 - Requires City Leadership to facilitate cooperation between two major property owners - Cox & Crockett
 - Requires City Initiative and Public Funding to complete the construction
- Open Space Requirements:
 - Park & Pedestrian Plazas - 9.6 acres; flexible layout
 - Crockett Square - 1 acre plaza; flexible layout + Green Connector



2020 Modified SCW Plan

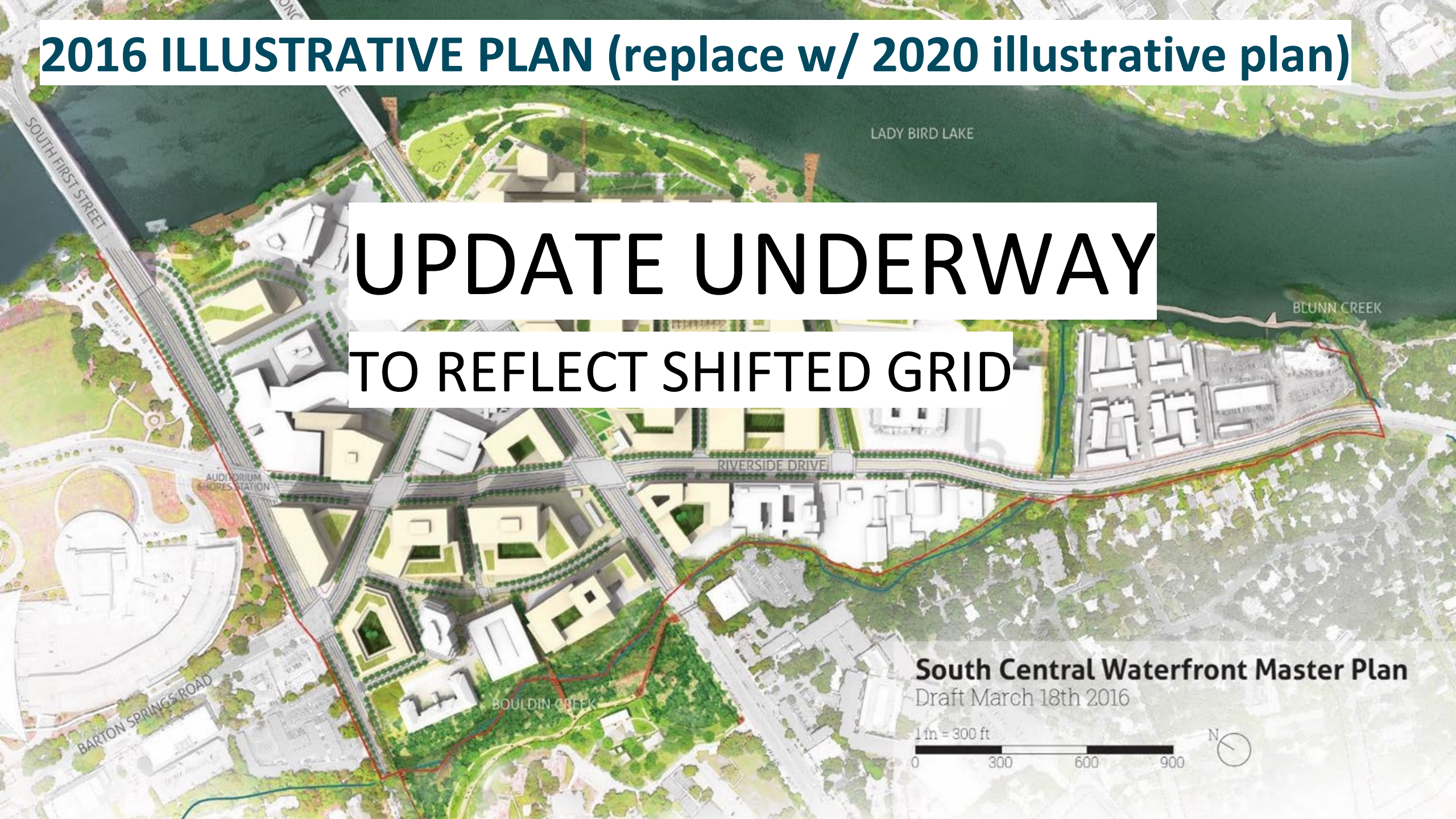
- Block Structure follows the flexible guidelines laid out in the 2016 Plan and reflects on-the-ground realities
- Barton Springs Alignment:
 - follows property boundary between Cox & Crockett
 - Barton Springs on Cox property consistent w/ 2019 PUD proposal
 - This shift requires Cox to dedicate ~1.6 acres to Barton Springs Rd. that would otherwise have been on Crockett
- Open Space Requirements:
 - Key Open Spaces change slightly to accommodate the altered grid structure
 - Cox Property requirement ~ 9 acres Park & Pedestrian Plazas
 - Crockett Property - 1.3 acre plaza; flexible layout + Green Connector

2020 UPDATED PHYSICAL FRAMEWORK



2016 ILLUSTRATIVE PLAN (replace w/ 2020 illustrative plan)

**UPDATE UNDERWAY
TO REFLECT SHIFTED GRID**



South Central Waterfront Master Plan
Draft March 18th 2016

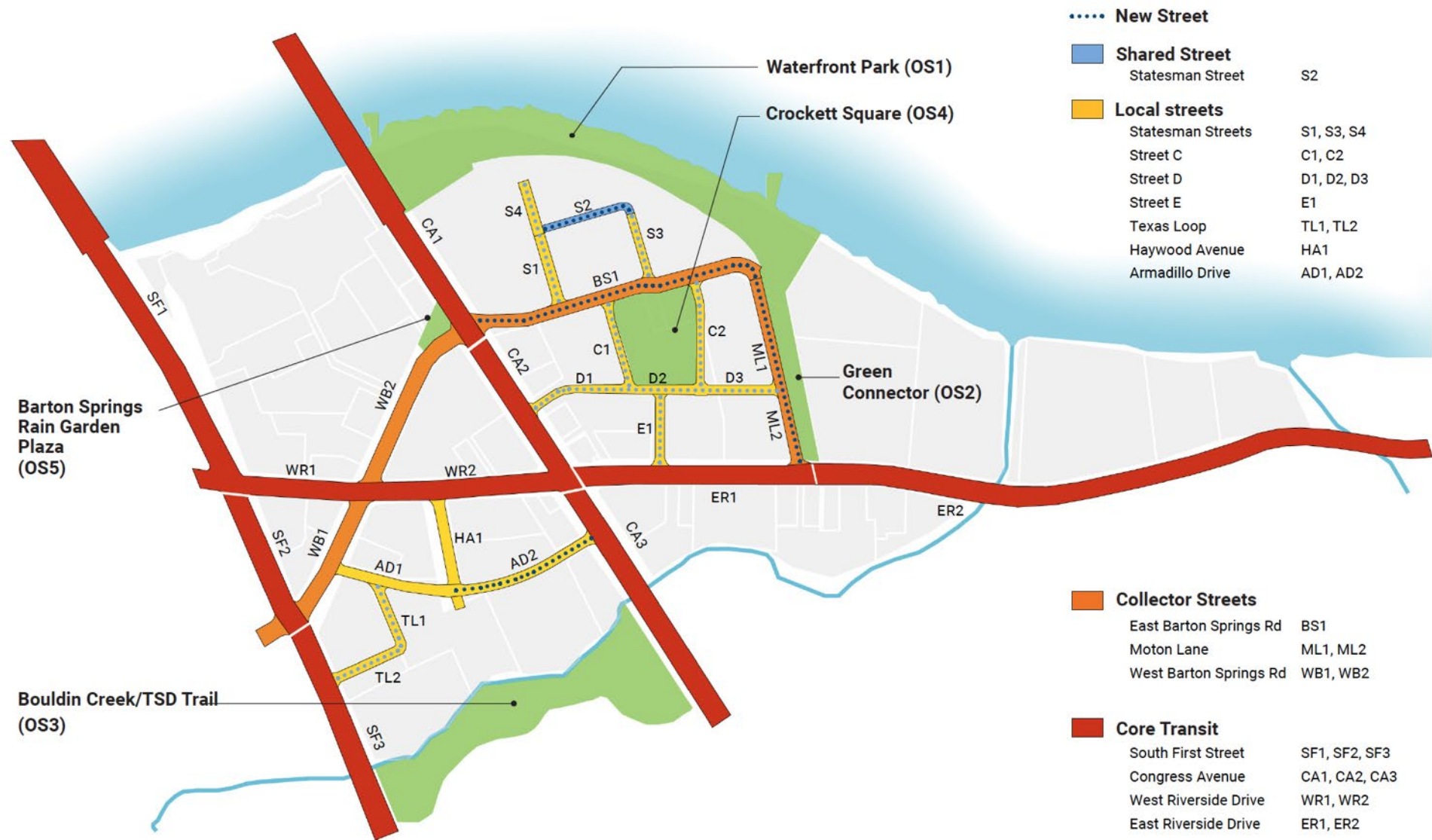
1 in = 300 ft
0 300 600 900



2020 TRANSPORTATION NETWORK



2020 STREET CLASSIFICATION & OPEN SPACES



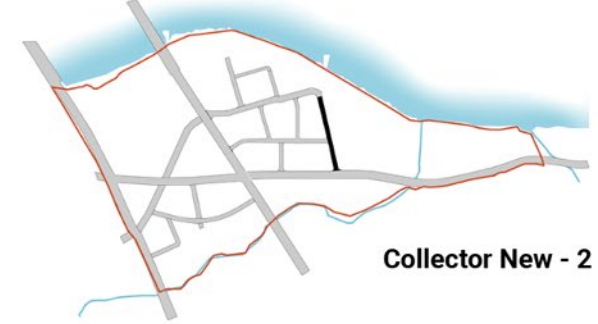
PHYSICAL FRAMEWORK COSTS > Roadway & Drainage



30%
\$75,796,628



Shared Street



Collector New - 2



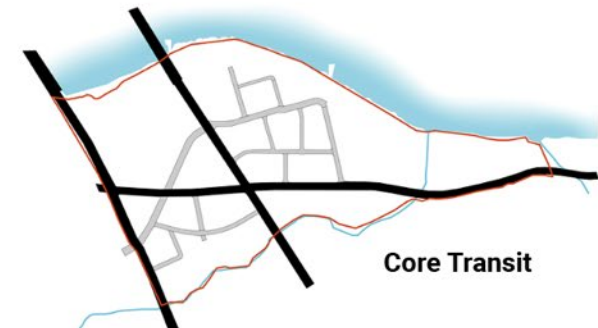
Local Street



Collector Existing



Collector New - 1



Core Transit

PHYSICAL FRAMEWORK COSTS > Streetscape + Green Infrastructure



20%
\$51,213,632

BAGBY STREET
Houston, TX



2.85 miles of green streetscape
(43% on new streets, 57% on upgrades to existing streets)

Design Workshop/ Asakura Robinson / Walter P Moore

2020 OPEN SPACES > Waterfront Park & Plazas

~9 ACRES

\$52,745,725



2020 OPEN SPACES > Crockett Square

1.3 ACRES

\$17,268,720



2020 OPEN SPACES > Green Connector

0.6 ACRES

\$2,314,444



2020 OPEN SPACES > Bouldin Creek Trail

5.2 ACRES

\$8,931,331



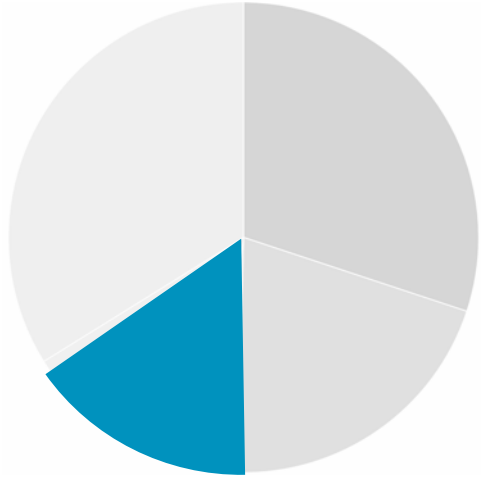
2020 OPEN SPACES > Nightwing Plaza

0.3 ACRES

\$3,990,000



PHYSICAL FRAMEWORK COSTS > Utilities

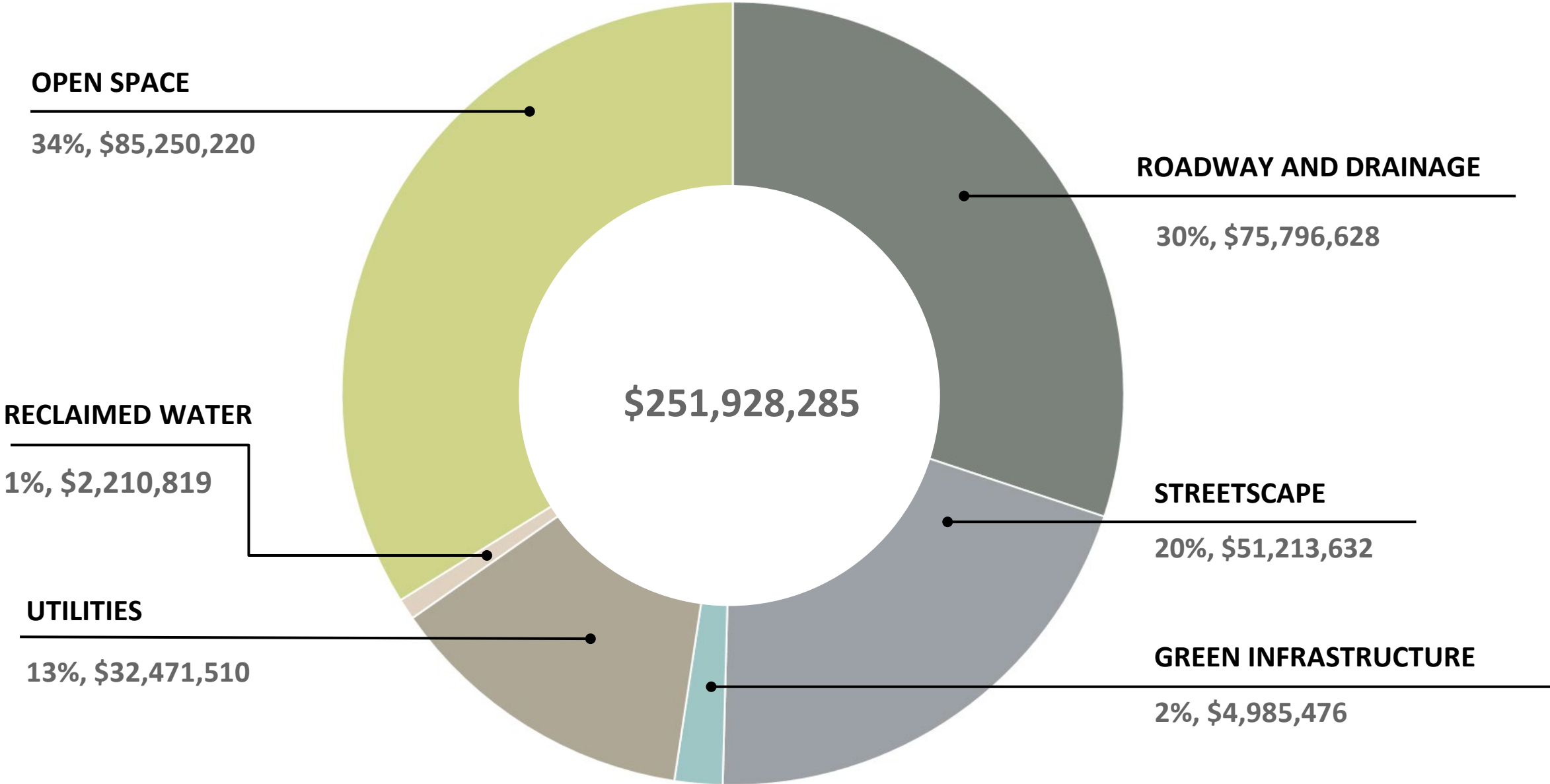


14%
\$34,682,329

- ✓ Water
- ✓ Wastewater
- ✓ Reclaimed Water
- ✓ Electric
- ✓ Telecommunication
- ✓ Gas



MAKING DOLLARS AND SENSE OF THE PHYSICAL FRAMEWORK



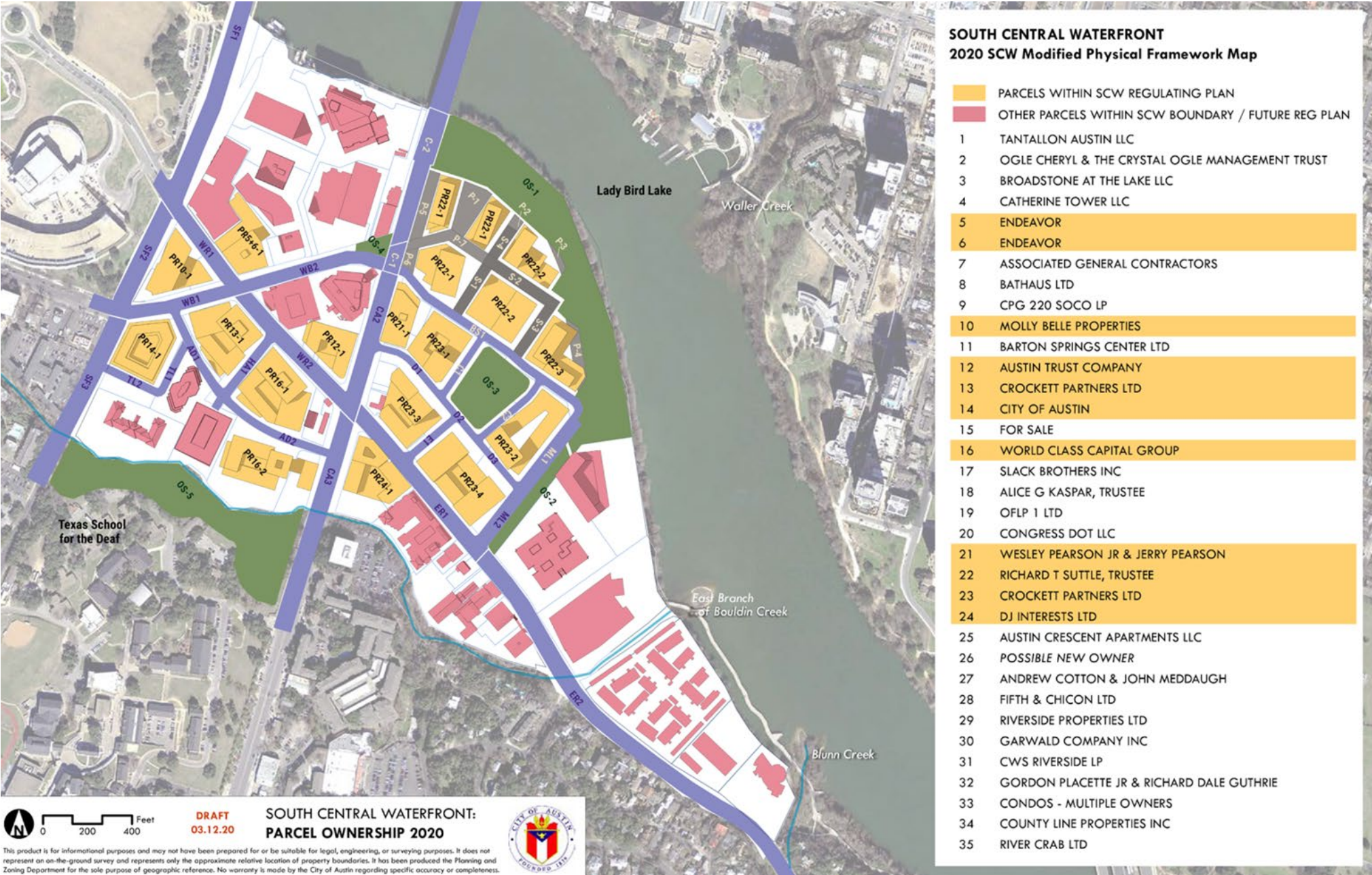


2020 HYBRID

LADY BIRD LAKE

1. BUILDOUT FOR FINANCIAL ANALYSIS
2. GETTING TO 20% AFFORDABLE HOUSING

A PHYSICAL FRAMEWORK TO SUPPORT DEVELOPMENT



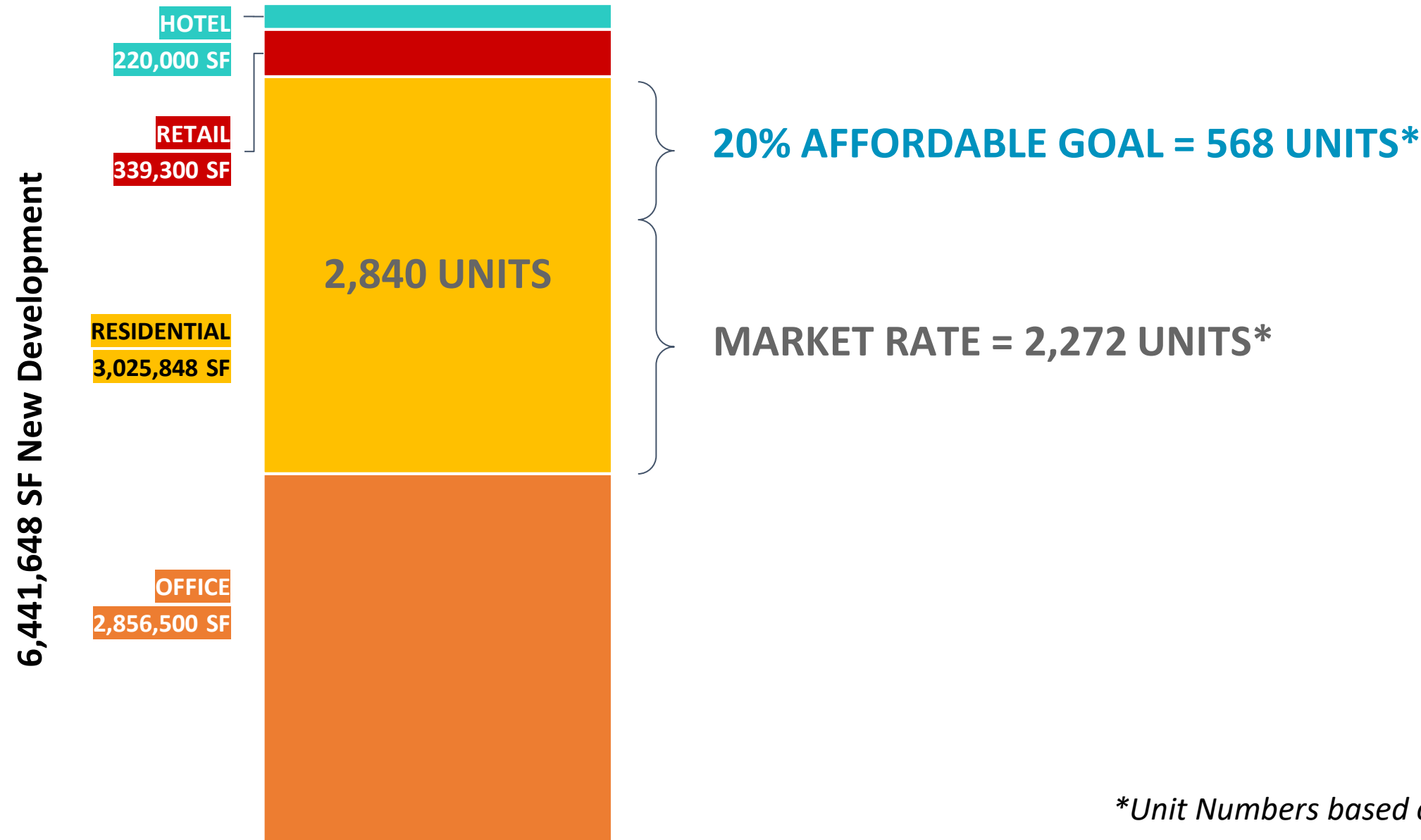
8.7 Million SF

6.4 Million
new development
under SCW Plan

2.3 Million
existing remaining

2040 Projected

Mixed-Use development w/ 20% AFFORDABLE HOUSING VISION



*Unit Numbers based on [Sample Scenario 1](#)

ACHIEVING THE SCW 20% AFFORDABLE HOUSING VISION



Partnerships with the Private Sector (subsidizing affordable housing in district through public funds) for *on-site affordable housing w/ development



Leverage **City Property at One Texas Center** for affordable housing

- * Other scenarios modeled and possible, pending Council direction:
- crediting development w/ off-site affordable housing for bigger bang for buck

ONE TEXAS CENTER > Leveraging City Owned Property



OTC parking lot ~ 1 acre

Program*:

- 60' Tower w/
structured parking
- 100% affordable
- 142 ownership units

* 9 program scenarios modeled and possible, pending Council direction:

- rental vs ownership units
- low-rise, mid-rise, high-rise
- 100% affordable vs mixed-use

Program shown based on [Sample Scenario 1](#)



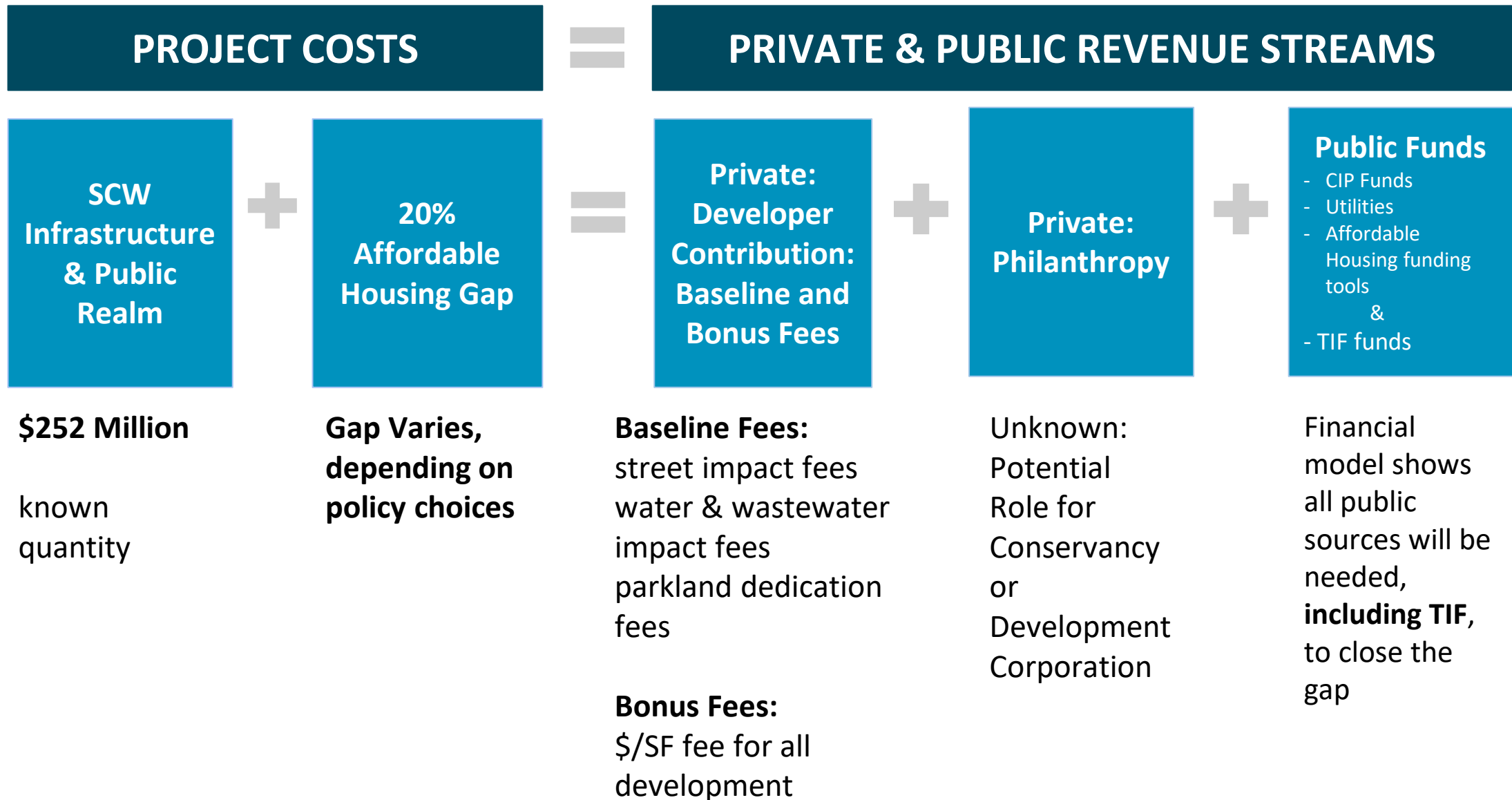
FINANCIAL FRAMEWORK

1. THE FINANCIAL TOOLKIT
2. THE INTERACTIVE FINANCIAL CALCULATOR
3. TWO SAMPLE SCENARIOS TO IDENTIFY THE GAP
4. DECISIONS BEFORE THE COUNCIL

A FINANCIAL TOOLKIT TO FUND THE VISION

	OPERATIONS & MAINTENANCE	TRANSPORTATION & INFRASTRUCTURE	OPEN SPACES (Parks, Trails, Plazas)	AFFORDABLE HOUSING
PRIVATELY FUNDED				
Baseline Development Requirement		✓		
Bonus Development Requirement		✓	✓	✓
Public Improvement District	✓			
Philanthropy (Conservancy)	✓			
PUBLICLY FUNDED				
Tax Increment Finance (TIF)		✓	✓	✓
Capital Improvement Projects (CIP)		✓	✓	
Public Utilities		✓		
Affordable Housing (AHTF, tax credits)				✓

FUNDING THE VISION > Balancing Costs with Revenue



INTERACTIVE FINANCIAL CALCULATOR > Exploring Options & Impacts

Model Inputs	Input	Instructions	To set closest to 2016 Plan Doc
Affordable Housing Requirement	Apply New Districtwide Requirement (below)	Select option [The "Framework Plan" option applies the site-specific percent of affordable units to the cases, which overrides the affordable housing requirement below. Set to Districtwide Requirement or enter a custom value in the cell below]	
Districtwide Affordable Requirement (excluding Statesman)	10.0% across district	Input value (% units) [If "Framework Plan" option selected above, this value will be ignored]	
Statesman/Cox Affordability Requirement	Cox at 4.15% (Plan Requirement)	Select option [If "Framework Plan" option selected above, this value will be ignored]	
Affordable Unit Shortfall Filled Onsite or Offsite	Outside district	Select option ["Onsite" applies to filling down high-rise units; "Offsite" applies to filling down low-rise units assuming no buying-down of the district]	
Affordable Housing Subsidy Type (excluding OTC)	Zero Aff Subsidy	Select option [Baseline input: "Zero Aff Subsidy"]	Set value to Zero Aff Subsidy
NHCD Per Affordable Unit Subsidy	\$0.00 / Aff Unit	Input value (\$) to be applied if 'Aff Subsidy Per Unit' selected for Subsidy Type above	Set value to 0
District Master Planning Fee	\$0.00 / Gross FAR Foot	Input value (\$)	Set value to 0
One Texas Center Development Scenario	60' 4 over 2 Rental 100% affordable	Select 2016 Plan.	Set value to 2016 plan document
Market Assumptions	2019 Interviews	Select option	Set value to 2016 Plan
Buildout Scenario	2020 HYBRID	Select option [Baseline input: "2020 UPDATED SCW"]	Set value to 2020 UPDATED SCW

10 variables to test financial feasibility and gap funding requirements to inform policy choices

Notes

Rollup

Development Summary

Plan Scenarios

Pro Formas

OTC

Market

Public Benefits

Affordable

MAS

Infra

Parcel In

INTERACTIVE FINANCIAL CALCULATOR > Sample Scenario 1

20% Affordable Housing Target Provided 100% Within District

<div>Affordability Requirement ▼</div> <div>District-wide at 20%</div> <div>Site-by-site</div>	<div>Affordable Housing Unit Shortfall ▼</div> <div>Fulfilled Within District</div> <div>Fulfilled Outside District</div>	<div>One Texas Center Scenarios ▼</div> <div>60' Building: Rental vs Ownership</div> <div>85' Building: Rental vs Ownership</div> <div>170' Building: Rental vs Ownership</div>	<div>Market Assumptions ▼</div> <div>2019 Interviews</div> <div>Robust Market</div> <div>Historical CAP Rates</div>	<div>Buildout Scenario ▼</div> <div>Based on 2016 Plan</div> <div>Based on Statesman PUD</div> <div>Based on Statesman PUD layout with 2016 heights</div>
<div>District Fee ▼</div> <div>\$ ____ / SF</div> <div>No Fee</div>	<div>Subsidy for Affordable Housing ▼</div> <div>Per Unit Subsidy</div> <div>No Subsidy</div>			

SAMPLE SCENARIO 1 > Estimated Gap

20% Affordable Housing Target provided 100% within the District

Offsite Benefits:

Infrastructure and Affordable Housing

\$122 Million



Onsite Benefits:

Infrastructure, Affordable Housing, & Feasibility

\$432 Million

TOTAL GAP

\$554 Million

TOTAL AFFORDABLE UNITS IN DISTRICT

568 Units

INTERACTIVE FINANCIAL CALCULATOR > Sample Scenario 2

Some of 20% Affordable Housing Target Provided Outside District

<div><div>Affordability Requirement ▼</div><div>District-wide at 10%</div><div>Site-by-site</div></div>	<div><div>Affordable Housing Unit Shortfall ▼</div><div>Fulfilled Within District</div><div>Fulfilled Outside District</div></div>	<div><div>One Texas Center Scenarios ▼</div><div>60' Building: Rental vs Ownership</div><div>85' Building: Rental vs Ownership</div><div>170' Building: Rental vs Ownership</div></div>	<div><div>Market Assumptions ▼</div><div>2019 Interviews</div><div>Robust Market</div><div>Historical CAP Rates</div></div>	<div><div>Buildout Scenario ▼</div><div>Based on 2016 Plan</div><div>Based on Statesman PUD</div><div>Based on Statesman PUD layout with 2016 heights</div></div>
<div><div>District Fee ▼</div><div>\$ ____ / SF</div><div>No Fee</div></div>	<div><div>Subsidy for Affordable Housing ▼</div><div>Per Unit Subsidy</div><div>No Subsidy</div></div>			

SAMPLE SCENARIO 2 > Estimated Gap

Some of 20% Affordable Housing Target Provided Outside District

Offsite Benefits:

Infrastructure and Affordable Housing

\$93 Million



Onsite Benefits:

Infrastructure, Affordable Housing, & Feasibility

\$400 Million

TOTAL GAP

\$493 Million

TOTAL AFFORDABLE UNITS IN DISTRICT

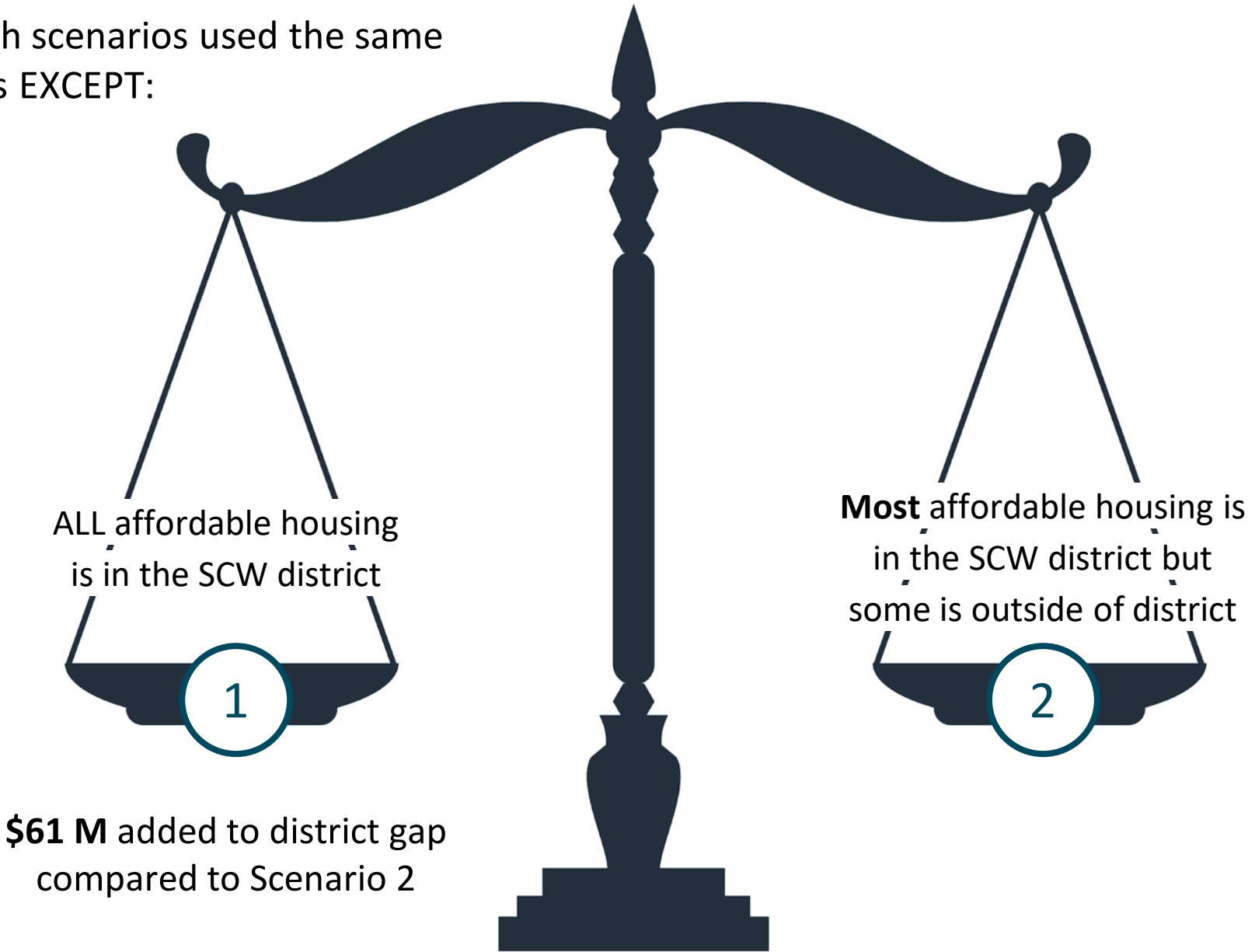
280 Units

TOTAL AFFORDABLE UNITS OUTSIDE DISTRICT

288 Units

SAMPLE SCENARIO 1 vs SCENARIO 2 > Exploring Trade-offs

In our sample, both scenarios used the same set of assumptions EXCEPT:



INTERACTIVE FINANCIAL CALCULATOR > Dozens of scenarios possible

Depending on policy choices and assumptions selected in the Tool,
most scenarios fall within a range:

Offsite Benefits:

Infrastructure and Affordable Housing

~ \$100 M



Onsite Benefits:

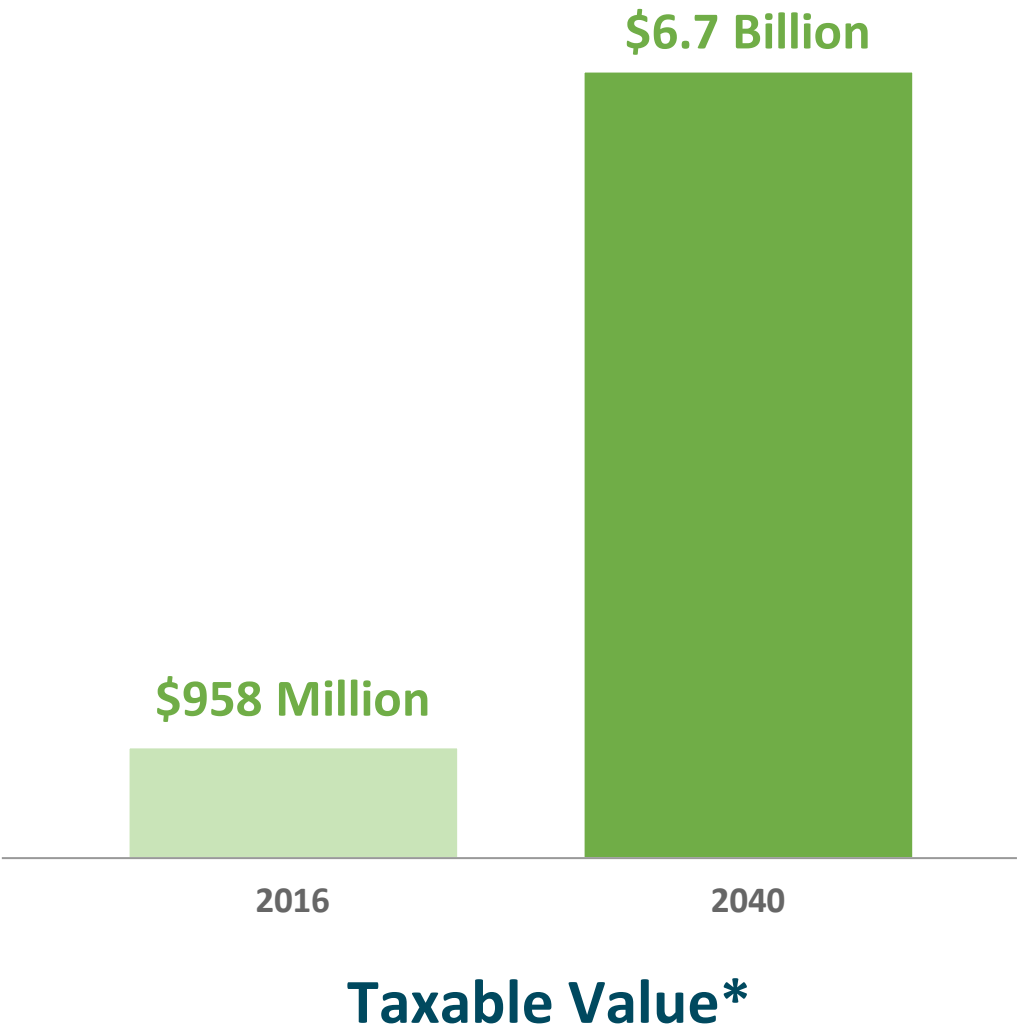
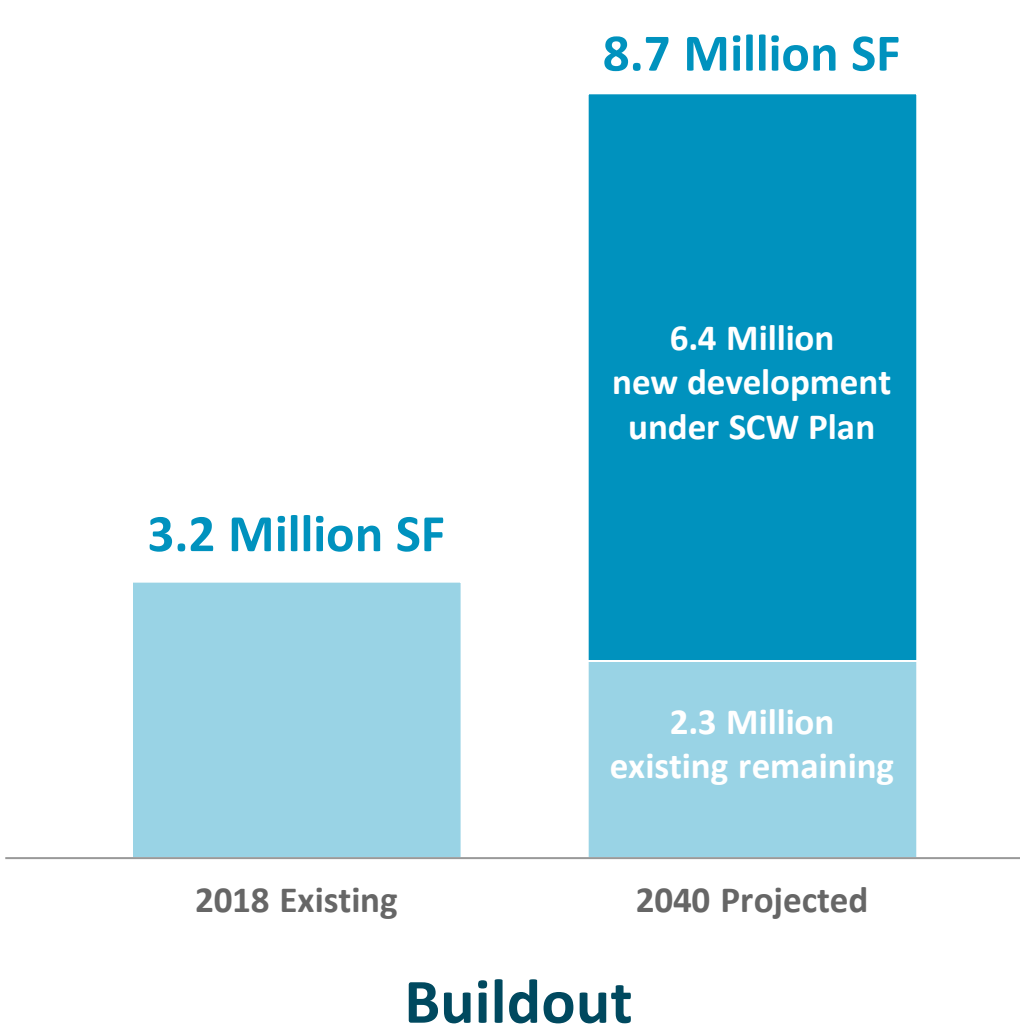
Infrastructure, Affordable Housing, &
Feasibility

~ \$ 300 M - \$500 M

TOTAL GAP

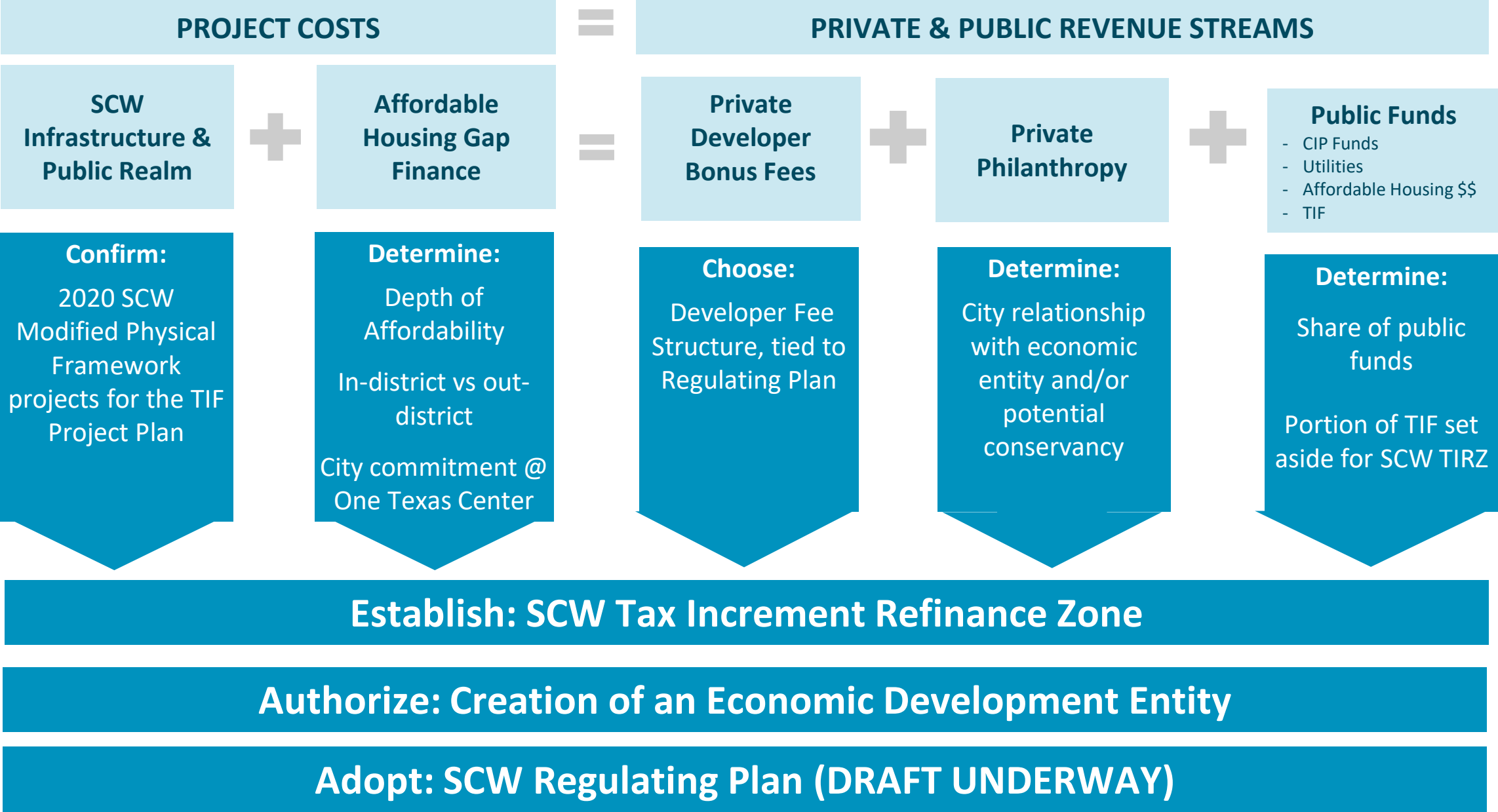
~ \$400 M to \$600 M

VALUE CAPTURE > The Last Bridge in the Funding Gap



Per Capitol Market Research Report, '2018 SCW TIRZ Market Analysis', which assumes 8.5 Million SF of new development project for the SCW District 2040 buildout. **This work needs to be updated to reflect the SCW 2020 Modified Plan and to account for SB-2.*

DECISIONS BEFORE THE CITY COUNCIL





South Central Waterfront