

July 14, 2020

Zenobia C. Joseph

To: **Planning Commission** thru Andrew Rivera, Staff Liaison (Andrew.Rivera@austintexas.gov)Subject: **Support MF-3-NP**  Backup - B-05 (C14-2020-0031.SH - E MLK Rezoning, District 1 (1.6MB)

I. **Position:** “Staff recommends **MF-3-NP**.” I **agree with staff** and **oppose** Commissioner James Shieh’s motion to reconsider 5201 E. MLK for 100 of 200 affordable housing units at 50% Area Median Family Income (“AMI”) for five years with no community benefit. MF-6-NP does not maintain the character of the single-family homes neighborhood. The proposed case is located in an Opportunity Zone. **There is nothing in the Tax Cuts and Jobs Act of 2017 Opportunity Zones provision that requires municipalities to maximize the return on investment for the Applicant.** I also **oppose** Commissioner Greg Anderson’s belief that “MF-3 is pretty lousy.” MF-3, as noted by staff, is appropriate for this section of E. MLK which does not function as a “live, work, play” transit corridor. Frequent Route 18 also does not operate bilaterally. If “Black Lives Matter,” vote against MF-6-NP. Staff encouraged “more nearby small-scale retail or grocery stores” in the food desert. Blacks deserve more than two liquor stores, two dollar stores, and 7 gas stations in a 2-mile radius of 5201 E. MLK. Stack and pack sets a discriminatory precedent.

II. Vision: I envision an HEB Neighborhood Market “residential retail anchor” with Kinko’s, affordable condos (80% AMI), café/study and culture. Mixed-use development is sorely missing in Northeast Austin on E. MLK/FM 969. The model (below) would uplift Blacks. (<https://www.lisc.org/our-stories/story/nurturing-local-leadership-heart-what-we-do>)



“You can drive in any city in America, practically, and **you can see how through purposeful placement of highways and avenues and roads and railroad tracks (uh), communities were segregated intentionally.** No question about it. Now, the interesting thing is (uhm)

I think too many of us don’t stop to reflect to internalize that fact. Uhm and so I’m grateful (uh) for this information coming out . . . because more and more communities need to grapple with how they’ve gotten to where we are today as one of the first ways that they can mobilize a coalition of folks of goodwill—multiracial, multigenerational (uh), multisector to address these issues (uhm). And more and more we see places doing that.¹

~Maurice Jones, President/CEO (lawyer), Local Initiatives Support Corporation (“LISC”) testified May 17, 2018 on “The Promise of Opportunity Zones” during the Joint Economic Committee Congressional Hearing: mjones@lisc.org

Investment Companies

III. LISC Mission: “The work of rebuilding neighborhoods—creating affordable housing, renovating a retail corridor or constructing a new school, recreation center or office building—doesn’t happen without financing. And just as with for-profit ventures, non-profit **development requires significant capital.** But community development projects in disinvested neighborhoods have a much harder time attracting capital investment. To help get funding into the places that need it most, LISC works with several investment companies—including our affiliates *National Equity Fund*, *the New Markets Support Company* and our new SBA lender *immito*—that **bridge the gap between investors and projects in under-invested communities.** We also provided initial capitalization to the *Community Development Trust*, the first real estate investment trust fund specializing in affordable housing.”²

\$14.9 billion

total equity invested



Shops & Lofts, Chicago, IL

¹ RUPCO (2019, May 15). *The Color of Law: Panel discussion* [Video: 3:03 Jones’ remarks]. YouTube. https://www.youtube.com/watch?v=GNhJ2msqO_E

² Local Initiatives Support Corporation (2016). *Investment companies*. <https://www.lisc.org/our-model/investment-companies/>