MEMORANDUM

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TO: Mayor and City Council

FROM: Jerry Rusthoven, Assistant Director/Interim Lead
              Planning and Zoning Department

DATE: September 16, 2020

SUBJECT: **C14-05-0112(RCA2) – AMLI South Shore** (District 9)

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On August 25, 2020 Planning Commission approved staff's recommendation to amend the Restrictive Covenants (RC) to increase the total number of units allowed on site to 520 units and remove the ownership requirements.

The current public RCs require that 5% of the for-lease units be reserved as affordable. If the RC amendments are approved, the applicant will be able to construct 70 new rental units on site, of which 5% would have to be maintained as affordable per the existing RCs. The applicant has committed to providing additional affordable housing above what is required. Staff was given guidance that the additional affordable housing cannot be included or amended into the existing public RC and would have to be done through a private RC. The applicant has agreed to work with HomeBase Texas for the private RC, please see attached memo from the applicant's agent.

If you need additional information, please contact Assistant Director, Jerry Rusthoven, at 512-974-3207.

Jerry Rusthoven, Assistant Director/Interim Lead
Planning and Zoning Department

xc: Spencer Cronk, City Manager

        J. Rodney Gonzales, Assistant City Manager

Amanda Swor
aswor@drennergroup.com
512-807-2904

DRENNER
GROUP

September 16, 2020

Ms. Denise Lucas   *Via Electronic Delivery*
City of Austin
Planning and Zoning Department
505 Barton Springs Road
Austin, TX 78704

      Re: <u>1720 South Lakeshore</u> – Restrictive Covenant Amendment application for the approximately 10.48 acres of property located at 1720 South Lakeshore Boulevard, in Austin, Travis County, Texas (the "Property")

Dear Ms. Lucas:

As representatives of the owner of the Property, we respectfully submit this letter to accompany our application currently under review and assigned restrictive covenant amendment number C14-2020-0112(RCA2), submitted to the City of Austin on June 3, 2020. The purpose of restrictive covenant amendment application is to request removal of the requirement for 45 for-sale residential units on the Property and transfer those for-sale units to for-rent units and add an additional 25 for-rent residential units increasing the maximum number of for-rent residential units allowed on the Property from 450 units to 520 units.

With this amendment request, the Property owner has made the commitment to maintain the existing affordable housing requirement of 5% of the residential units be leased to households earning no more than 80% of the Median Family Income ("MFI") as outlined in the amended restrictive covenant recorded in Document No. 2011186530. In addition to the existing affordable housing requirement, the Property owner will be entering into a new private restrictive covenant with HomeBase Texas as the enforcing agency and has made the commitment to provide an additional 5% of the new for-rent units for households earning no more than 60% MFI..

In summary, 10% of the additional 70 for-rent residential units proposed with this amendment shall be reserved as affordable units. Should the total number of units build result in an odd number of affordable housing units required, the applicant has agreed to reserve the larger number of units for households earning no more than 60% MFI. The Property owner will execute this proposed restrictive covenant with HomeBase Texas prior to the public hearing at City Council. No other changes to the existing restrictive covenant other than those stated above are proposed at this time.

Please let me know if you or your team members would like additional information or have any questions. Thank you for your time.

Sincerely,

Amanda Swor

cc: Jerry Rusthoven, Planning and Zoning Department *(via electronic delivery)*
Joi Harden, Planning and Zoning Department *(via electronic delivery)*
Kate Clark, Planning and Zoning Department *(via electronic delivery)*