

12/07/2020

Mayor and Council

I have honor of being the applicant and the architect for the Rehabilitation and Zoning of the Historic Baker School campus, which was purchased in 2019 from the AISD. Aside from being a contributing parcel to the Hyde Park NCCD, this Site has been painstakingly rehabilitated, has been approved for State and National Historic Tax Credits and Landmark Status, and received the Preservation Austin 2020 Merit Award. In recognition for the incredible work that the owners have done to revitalize this campus, the entire remaining parcel should be zoned Historic (H).

In our original 2018 zoning case, the entire site was granted restricted entitlements (75' front setback on Ave B, 2 stories/30' on the remainder of the parking lots) except the Baker Field, which was entitled to develop to 5 stories and 50'. The plan for this site was to build residential housing, and a restrictive covenant was filed to require 25% of any on site housing have affordability restrictions. However this area, the only portion of the site to be granted market rate entitlements, was purchased by the COA Public Works department in March of this year to build a regional detention pond for the neighborhood. **We want to be clear that the Baker Field is NOT part of this zoning request, and is the only portion of the site that does not have heavily restricted zoning.**

The Historic Landmark Commission has voted in favor of our request to approve Historic (H) zoning on the entire remainder of the site, however Staff and the Planning commission have advocated to exempt the 2 side parking lots, which are restricted from development by the NCCD and the zoning ordinance. The reasoning used by Staff to exclude these areas is that the Texas Historic Tax Code only offers the exemption to land necessary for use and access, however the parking areas ARE required for use of the property per the COA zoning code:

***Section 11.24 - Historic Sites (a) The governing body of a taxing unit by official action of the body adopted in the manner required by law for official actions may exempt from taxation part or all of the assessed value of a structure or archeological site and the land necessary for access to and use of the structure***

Per zoning, the site requires 173 parking spaces (60,000 s.f. of office)

111 spaces are provided on site (off street) and 62 spaces adjacent to the site (on street).

Of the 111 on site spaces, 85 are located in the 2 side lots that staff is recommended not be included in the Historic zoning. However per the zoning code and office use, these spaces are required in order to use the property.

The property is scheduled to pay \$265,888 in taxes this year. The full exemption would reduce the property tax bill by \$59,655 and the removal of the parking lots would reduce it to \$47,774, so the full exemption amounts to a 22% abatement as opposed to an 18% abatement. While the \$11,911 difference is miniscule to the city's overall tax base, it makes the economics of the project more viable in the long term for owners who spent millions and require every avenue for relief (state and federal tax credits, property tax exemptions) to make this project viable in the long term.

Per the city website, **The Historic Preservation Office protects and enhances neighborhoods, buildings, and sites that reflect elements of Austin's cultural, social, economic, political, and architectural history.** The benefit of this program to the owner is the tax exemption that recognizes that the property is limited in its use by the Historic overlay. **It is important to note that adding the (H) designation on the entire site does not restrict development of the parking areas any further than its inclusion in the NCCD, as either overly would require a Certificate of Appropriateness from the Historic Landmark Commission.** However, since both parking lots are required in order for use per COA zoning **AND** the owners have gone above and beyond to restore the interior and revitalize the campus, we ask that the remaining site (excluding the 1 acre Baker Field that was zoned for a Market Rate project) be zoned Historic in its entirety.

A diagram of current site restrictions is included on the attachment. Thank you for your consideration.

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