

MOTION SHEET

The City Manager is directed to negotiate and execute an Exclusive Negotiating Agreement with Greystar Development Central, LLC and the Housing Authority of the City of Austin (HACA) and to include the following terms in the eventual Master Development Agreement for the **lease and redevelopment** of 7211 N IH 35 (the former Home Depot) and 7309 N IH 35 (the former Chrysler Dealership), known as the St. John Site, and to return to Council prior to execution of that Master Development Agreement. The Council may add to this direction at or prior to its August 26, 2021, Council meeting.

The City Manager shall keep Council consistently apprised as to the status of the negotiations and shall return to a Council work session within 4 months with an update. If in the course of negotiations Greystar Development Central, LLC articulates substantial concerns about any of the below community benefits, the City Manager shall return to Council prepared to share that information and to seek further direction.

The City Manager shall craft a Master Development Agreement that strives to achieve the following goals. If Greystar Development Central, LLC is unable or unwilling to agree to any of these goals being in the Master Development Agreement, the City Manager will return to the Council to explain the reason for the objection.

Affordable and Family-Friendly Housing

- Alter the unit makeup of the affordable to reflect a significant shift from one-bedroom and studio homes to two- and three-bedroom homes to align with recommendations from the 2008 Families with Children Task Force and multiple other planning documents and Council directives.
- Require the tenant protections currently contained within the City's Rental Housing Development Assistance requirements.
- Designate a certain percentage of the income-restricted affordable rental homes to be reserved for voucher holders and Continuum of Care units, especially for families with children experiencing homelessness.
- Similar to other City of Austin Master Development Agreements, include a provision that allows for profit-sharing for the City beyond a certain internal rate of return once costs are covered. The profits generated by this tract that return to the City shall be used for a city and community priority, such as the creation of vouchers and services for individuals experiencing homelessness.
- If the goal of home ownership can be achieved, ensure the inclusion of staff's previously proposed policy, in which the sale price of the affordable homes must be no more than 3 times the household's annual income (or 3.5 times the household's income if someone in the household has completed approved homebuyer counseling or education). Ownership units should also subject to an equity cap, where the homeowner's equity can increase up to 2 percent per year for 30 years (at which point no additional equity can be earned). This allows the homeowner to gain some appreciation at resale, while also preserving the affordability of the home for future income-eligible homebuyers.

Community Assets

- Add on-site high-quality affordable childcare as a required use and discuss with community stakeholders how this use aligns with their priorities for services and amenities within this development.
- Provide spaces for communal “learning spaces,” computer labs and other spaces that include technological resources for the residents, especially the residents who are children.

Public Access / Resilience

- Include a term that makes it explicit that all park / green space be fully accessible to the public and ensure that the developer provides and maintains obvious, discernible street-level signage in English and Spanish to that effect.
- Attempt to achieve LEED Gold rating or 4-star Green Building standards.

Commercial Uses

- Craft an agreement to ensure commercial tenants will include a significant percentage of independent, local merchants and/or nonprofit and community organizations.
- For the commercial and any potential future office components of the proposal, include the City of Austin’s living wage standard, including a mechanism to ensure that these wages mirror the City of Austin’s living wage as it increases in future years, and ensure these provisions apply for custodial workers.
- Ensure that any commercial amenities be financially accessible to the residents of the affordable homes and solicit input from community about what services are particularly desirable in this location.

As stated above, the City Manager shall return to Council in a Council work session if Greystar Development Central, LLC is unable or unwilling to include any of the above provisions in the Master Development Agreement to provide a detailed explanation as to the rationale.

The City Manager is directed to return to Council at least eight weeks prior to the Recommendation for Council Action for the Master Development Agreement for Council conversation.