

RESOLUTION NO. 20220616-088

WHEREAS, on December 7, 2017, City Council approved Resolution No. 20171207-058 directing the City Manager to work with community members to create a new vision for the City-owned property located at I-35 and St. Johns Avenue (St. John Property); and

WHEREAS, the St. John Property should address housing, economic, and recreational opportunities and future needs of St. John residents and residents of the surrounding areas, and honor and respect the rich Black and Hispanic history of the St. John neighborhood; and

WHEREAS, a robust, two-year community engagement process, including several hundred in-person and online surveys, focus groups, house meetings, school meetings, and town halls, resulted in a new, community-validated vision for the St. John Property; and

WHEREAS, the St. John community's new vision centers on supporting a complete community in a historic neighborhood by reinforcing its strengths and enhancing its services and quality of life through redevelopment, including: (1) a mixed-income, mixed-use district with affordable housing, particularly accessible to current and past neighborhood residents; (2) open space for recreation and congregation; and (3) space for community retail and support services specific to the St. John neighborhood; and

WHEREAS, on June 6, 2019, City Council approved Resolution No. 20190606- 098 directing the City Manager to negotiate an interlocal agreement with the University of Texas Center for Sustainable Development to initiate a redevelopment planning process and for the final work resulting from the interlocal

agreement to be sufficient for the subsequent release of a Request for Proposals for redevelopment of the St. John Property; and

WHEREAS, the Center for Sustainable Development team completed their study highlighting viable community-guided and anti-displacement focused redevelopment scenarios, in accordance with Resolution Nos. 20171207-058 and 20190606-098, including a range of options such as mixed-income housing, recreation space, and non-profit space that address the current and future needs of St. John residents and the surrounding community; and

WHEREAS, the Center for Sustainable Development team's final report was reviewed by the Economic Development Department, Housing and Planning Department, Parks and Recreation Department, Law Department, Financial Services, Public Works, Austin Water and Austin Energy and the subsequent memorandum was released on June 24, 2020, which included vetted recommendations to reposition the St. John Property through a Request for Proposals process; and

WHEREAS, on July 29, 2020, City Council approved Resolution No. 20200729- 117 affirming the community vision set forth in the University of Texas Study resulting from a two-year community engagement effort, supporting the City Manager's decision to initiate a Request for Proposals process, and initiating the rezoning of the St. John Property to CS-MU-V-NP; and

WHEREAS, on July 9, 2021, City Staff recommended the Request for Proposal (RFP) award to Greystar Development Central, LLC (Greystar/The Housing Authority of the City of Austin), the top-scoring proposal, given their responsiveness to the community's priorities (as required by the RFP) and ensuring the timely development of the project without any City subsidy; and

WHEREAS, on July 29, 2021, City Council authorized the negotiation and execution of an exclusive negotiation agreement (ENA) with Greystar Development Central, LLC, for terms governing a master developer contract for the redevelopment of the St. John Property; and

WHEREAS, on April 13, 2022, Greystar Development Central, LLC signed the ENA and on April 7, 2022, City Council authorized the negotiation and execution of legal services needed to commence negotiations of a master development agreement; and

WHEREAS, on July 29, 2021, City Council provided additional direction to the City Manager as follows “In the Master Development Agreement [(MDA)], The City Manager should negotiate for a long-term lease rather than a sale. If the City Manager cannot achieve a long-term lease in the MDA, or if such an arrangement results in a significant reduction of community benefits, the City Manager should report this back to the City Council and seek further direction as part of the MDA process. Land ownership by the City or another public agency remains strongly preferred.”

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Council reaffirms their commitment to move forward with the redevelopment of the St. John Property in a manner that honors the rich Black and Hispanic history of the neighborhood, supports the community’s vision resulting from several years of community input, and enhances the quality of life of the community through critical investments that achieve a significant amount of affordable housing and other community-vetted benefits.

BE IT FURTHER RESOLVED

The City Council affirms that a sale of the St. John Property to a public facility corporation controlled by The Housing Authority of the City of Austin (HACA), a public agency with a decades-long track record in cultivating sustainable affordable housing communities, with the City reserving and retaining a right to repurchase the St. John Property, meets prior Council direction and priorities resulting in a feasible project that (1) ensures the upfront payment of the amount required to fully pay off the indebtedness on the property, (2) requires no City subsidies for their baseline proposal, (3) offsets the increasing costs of construction due to inflation, (4) tracks the affordability levels as proposed by Greystar and HACA with the potential for deeper levels of affordability, (5) provides a substantial number of units with two or more bedrooms, and (6) promotes and ensures long-term affordability and tenant services.

BE IT FURTHER RESOLVED

The City Council directs the City Manager during the MDA negotiations to pursue a sale of the St. John Property to a public facility corporation controlled by HACA, with the City reserving and retaining a right to repurchase the St. John Property for the nominal sum of \$1 at the end of the lease term. The City Manager shall return to Council to provide an update on the status of negotiations with Greystar Development Central, LLC and HACA for execution no later than the end of November of 2022.

ADOPTED: June 16, 2022

ATTEST:



Myrna Rios
City Clerk