

RESOLUTION NO.

WHEREAS, the City is one of the largest owners of land within the Austin area, owning real property throughout its jurisdiction within each of the 10 City Council districts; and

WHEREAS, decades of City plans and multiple City Council-approved policies have identified vacant or otherwise underutilized City-owned land and facilities as opportunities to expand community services and generate opportunities for basic necessities and City Council priorities, such as affordable and family-friendly housing; and

WHEREAS, the City Council desires to establish a consistent, reliable, and transparent process that incorporates earlier City Council review, evaluation, consideration, and approval of real estate transactions and redevelopment proposals for City-owned land to ensure that the City's policies and goals are prioritized within the City's overall real estate management strategy; and

WHEREAS, earlier City Council input into decisions related to the long-term use, acquisition, and disposition of real estate will ensure that City Council-approved policy and community benefits are incorporated into the negotiations of such transactions before significant staff time and resources are spent on a proposal; and

WHEREAS, earlier City Council input into decisions can help improve efficiencies throughout a proposed real estate transaction by ensuring the transaction is consistent with City Council direction at the beginning and avoid delays at the end of the transaction, when delays can be more problematic; and

24 **WHEREAS**, as the stewards of the City’s real property, the City Council
25 has a responsibility to its taxpayers to obtain the best value, both in terms of price
26 and efficiency, of the use of the City’s real estate interests; and

27 **WHEREAS**, the current City Council seeks to share its institutional
28 knowledge with future City Councils and to formalize some of the process
29 improvements taken by professional staff in recent years; and

30 **WHEREAS**, the City Council acknowledges that every property or
31 development may have unique characteristics, and this Resolution seeks to provide
32 general guidance to the City Manager, future City Councils, City staff, and
33 community members to facilitate the transparent, consistent, and efficient oversight
34 of real estate assets; **NOW, THEREFORE**,

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

36 The City Manager is requested to recommend to the City Council for
37 consideration and approval a consistent, transparent process that includes an early
38 opportunity for City Council to set priorities, determine partners, and receive
39 community input for the proposed development and redevelopment of City-owned
40 land. As part of the proposed process, the City Council requests that the City
41 Manager consider the following guidelines in formulating its recommendation:

- 42 • The City Council desires to achieve the maximum value (which could
43 include maximizing community benefits and/or our revenue) from the use of
44 its City-owned property.
- 45 • The City Council desires to ensure that proposed ranking matrices for
46 proposed projects align with Council-approved priorities.

- 47 • The City Council desires to incorporate the following goals into the
48 solicitation process:
 - 49 ○ **Goal #1. Better Builder or equivalent.** As consistent with projects
50 under Project Connect, any construction project valued at more than
51 \$1 million should be certified by a third party to verify that the
52 construction project either complies with or exceeds the City
53 requirements under the Better Builder Certification program or a
54 similar program approved by ordinance.
 - 55 ○ **Goal #2. Minority-Owned and Women-Owned Business**
56 **Enterprise Procurement Program.** Any construction project with a
57 total project valuation of more than \$1 million should comply with the
58 requirements of the City's Minority-Owned and Women-Owned
59 Business Enterprise Procurement Program.
 - 60 ○ **Goal #3. Living wages.** Commercial tenants on City-owned property
61 should comply with the City's living wage standards. Staff may offer
62 alternative strategies for consideration by the City Council for
63 nonprofit organizations or other industries that might provide separate
64 community benefits.
 - 65 ○ **Goal #4. Revenue sharing.** When feasible under market conditions,
66 the City Manager should provide revenue sharing as an option for
67 consideration as do current leases for tenants of some park facilities.
 - 68 ○ **Goal #5. Affordable housing.** Public land presents an unmatched
69 opportunity to create affordable housing in parts of town where land
70 costs are high. Target percentages should match what the Austin
71 Housing Finance Corporation sets as a goal (85%) and incorporate

72 deep levels of affordability (usually 50% or below), or otherwise
73 generate a significant number of affordable units that could not
74 otherwise be achieved without partnership. A significant share of the
75 income-restricted units should be family-sized units (2- and 3-
76 bedrooms), with an affirmative marketing plan to match larger units
77 with households that need them. The project should incorporate the
78 City's standard source of income and tenant protections, as well as a
79 preference policy for current and former residents with generational
80 ties to the City.

- 81 ○ **Goal #6. Family-friendly features.** Consistent with Resolution No.
82 20120301-051 and Resolution No. 20210826-108, all new City
83 facilities and City-sponsored projects oriented to the public should
84 include family-friendly features, such as creative play spaces, nature-
85 based play areas, and interactive art spaces.

- 86 ○ **Goal #7. Affordable, high-quality childcare.** Consistent with
87 Resolution No. 20210826-108, where appropriate, new City facilities
88 and City-sponsored projects should include affordable, high-quality
89 childcare, especially childcare facilities that serve infants and toddlers
90 and accept vouchers. The City Manager should work with United
91 Way Success by Six and other professionals to articulate criteria for
92 "affordable childcare," present this proposed definition to the Early
93 Childhood Council for recommendations, and then bring to City
94 Council for approval by March 1, 2023.

- 95 ● The City Council desires the opportunity to review draft solicitations or the
96 staff's proposed ranking of priorities with sufficient time to allow the City
97 Council to take action as a body, if a vote is necessary.

- The City Council desires that solicitations be structured so that project-specific details (such as the total number of units proposed and affordability levels) can be shared publicly prior to the City Council making its selection of the winning bid.
- The City Council desires to separate out the “negotiation” and “execution” phases of real estate transactions so that the City Council is not approving a document that has not yet been written.

The above-listed guidelines are intended to provide guidelines that the City Council would like included in the formulation of a process. The City Manager should feel free to recommend whatever guidelines or criteria that the City Manager determines appropriate in its recommendation to the City Council.

ADOPTED: _____, 2022 **ATTEST:** _____
Myrna Rios
City Clerk