



Recommendation for Action

File #: 22-3738, Agenda Item #: 8.

12/8/2022

Posting Language

Authorize negotiation and execution of a master development agreement and all necessary and related agreements with Greystar Central, LLC or its affiliates and the Housing Authority of the City of Austin or its affiliates for terms governing the sale, development, construction, ground lease, and lease of a mixed-use development on the city-owned parcels located at 7309 & 7211 N IH-35 under terms outlined in a term sheet.

Lead Department

Economic Development.

Fiscal Note

No fiscal impact.

Prior Council Action:

20060824-006: 2006 General Obligation Bonds are approved and include funding for a new public safety facility. The former Home Depot and former Chrysler Dealership tracts (7309 & 7211 N IH-35), also known as the St. Johns Site, are purchased using these funds.

201204026-100: NP-2011-0029 is adopted by City Council on second and third reading, amending the Austin Tomorrow Comprehensive Plan to adopt the St. Johns/Coronado Hills Combined Neighborhood Plan (SJCH).

Resolution 20171207-058: Council directs the City Manager to work with the St. Johns community to create a new vision for the St. Johns Site that honored the history of the St. Johns neighborhoods while taking into consideration future opportunities for affordable housing, local business, recreation spaces, non-profit partnerships, and governmental facilities.

Resolution 20190606-098: Austin City Council approved an Interlocal Agreement (ILA) with the University of Texas Center for Sustainable Development to assist in community engagement and test fitting for the St. Johns Site.

Resolution 20200729-117: Austin City Council affirmed the new community vision for the St. Johns Site and initiated a competitive Request for Proposal (RFP) process that ensures the development will achieve community priorities.

Resolution 20210729-026: Austin City Council authorized negotiation and execution of an exclusive negotiation agreement with Greystar Development Central, LLC, for terms governing a master developer contract for the redevelopment of the St. Johns Site.

Resolution 20220616-088: Council reaffirms 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. The Resolution also affirmed the sale of the St. John Property to a public facility corporation (PFC) controlled by the Housing Authority of the City of Austin (HACA) and directed the City

Manager to pursue a sale of the St. John Property to a PFC controlled by HACA with the City reserving and retaining the right to repurchase the St. Johns Property for a nominal sum of \$1 at the end of the PFC lease term.

For More Information:

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Christine Freundl, Redevelopment Project Manager, 512-974-7147.

Council Committee, Boards and Commission Action:

10/04/2022: Briefing to the African American Resource Committee on the current framework for the redevelopment.

Additional Backup Information:

On September 16, 2020, in response to Council direction, City staff issued RFP 5500 SMW3005 to either sell or lease the 19-acre St. Johns Site to a development partner who could realize the St. Johns community vision as an innovative, catalytic, mixed-use project that will improve the quality of life for neighborhood residents while addressing the three main community goals: 1) open space for recreation and congregation 2) space for community retail and support services 3) significant investment in affordable housing options.

On March 2, 2021, RFP 5500 SMW3005 closed after proposals were evaluated by a multi-disciplined panel of City staff, who recommended the proposal submitted by Greystar Development Central, LLC, in partnership with the Housing Authority of the City of Austin (HACA).

On July 29, 2021, Council authorized staff to enter into an Exclusive Negotiating Agreement (ENA) with Greystar Development Central, LLC (Greystar). The ENA agreement, executed April 13, 2022, outlines the framework for negotiating the terms towards a master development agreement that will govern the 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. Council approved entering into an ENA with additional direction as stipulated in the Motion Sheet: (<https://www.austintexas.gov/edims/document.cfm?id=364423>).

Through good faith negotiations, the City and Greystar agreed to the terms for the master development agreement. The attached Term Sheet (Attachment A) includes the following terms that secure the goals of the RFP solicitation as well as achieve Council's priorities informed by community input gathered through surveys, a Council initiated Community Advisory Committee, and one-on-one and small group meetings with stakeholders:

- Securing long-term affordability through the sale to a Public Facilities Corporation (PFC) controlled by the Housing Authority of the City of Austin (HACA) with a 99-year affordability term as authorized through Council action on June 16, 2022;
- Retaining the number of bedrooms as submitted through the Best and Final Offer (BAFO) while increasing the number (from 8 to 30) and percentage (from 1% to 8%) of 3-bedroom family-friendly units while still retaining the percentages of units devoted to deeper affordability of 50% MFI;
- Revising the concept plan in a manner that increases the amount of improved parkland and improves multi-modal neighborhood access to the site;
- Engaging the community for further input and accountability on commemorating the history of the St Johns community, improvements to the parkland and tenancing of the 15,000 square feet of commercial space that includes a substantial amount of square feet devoted to nonprofit and community-serving commercial; and

- Committing to an innovative affirmative marketing strategy and preference policy.

Attachment A: St Johns Term Sheet provides the terms of a Master Development Agreement (MDA), including community benefits that respond to the St. Johns neighborhood community vision and Council policy direction.

Attachment B: The Conceptual Site Plan, as outlined in the ENA, addresses such items as site access from the adjacent neighborhood, placement of proposed open space, connections to transit, and relationship of the buildings to public streets.

There are three related actions to this item on the December 8, 2022 Council agenda: (1) a request for Council action to amend the St. John/Coronado Hills Combined Neighborhood Plan (NPA-2022-0029.02), (2) a request to rezone the property (C14-2022-0118), and (3) a request to amend the outside counsel contract for the St. John project.

Strategic Outcome(s):

Economic Opportunity and Affordability.