



## **Annual Internal Review**

**This report covers the time period of 7/1/2021 to 6/30/2022**

### **Robert Mueller Municipal Airport Plan Implementation Advisory Commission**

**The Board/Commission mission statement (per the City Code) is:**

Advise the City Council on implementation of the Robert Mueller Municipal Airport Master Plan, the 1996 Robert Mueller Municipal Airport Process and Goals Task Force Report, and other redevelopment issues at Robert Mueller Municipal Airport, including proposed amendments to the Master Plan, land disposition strategy, traffic, urban design and zoning issues, demolition of existing facilities; and at the request of the City Council, make recommendations on amendments to the Master Plan and other matters related to Robert Mueller Airport redevelopment. Section [2-1-169](#) of the City Code.

The Robert Mueller Municipal Airport (RMMA) Plan Implementation Advisory Commission (PIAC) was created in 2000 to provide oversight at a time when the Redevelopment and Reuse Plan for Mueller had been accepted, and the City was preparing to seek a master developer. In 2002 the master developer, Catellus, was selected and approved by City Council, and in December of 2004, the Master Development Agreement (MDA) between the City of Austin and Catellus was approved and executed by City Council. Because the MDA contractually obligates the City and Catellus to develop the property per the provisions in the agreement, the practical role of the PIAC has evolved to encompass the following:

- Advise Council on items that come before Council, including those needing formal approval, such as proposed zoning revisions;
- Advise Council on any items that require Council approval stipulated in the MDA, such as selling land within the Mueller boundary to another governmental entity;
- Advise Council on bigger picture topics that may impact the ability to implement the plans as fully anticipated, such as, but not limited to, transit or Interstate 35 improvements; and
- Serve as a venue for the master developer and City staff to report progress, hear concerns and receive feedback. This last role is paramount and provides a unique opportunity to problem-solve as Catellus, together with the community and City staff, work to implement the Mueller vision.

## Background

In 1996, a Council-appointed 16-member task force representing a broad spectrum of Austin interests called for the creation of a compact, pedestrian-oriented, and mixed-use community. The plans to redevelop the airport were guided by a vision and goals developed with extensive community input.

The task force challenged the City to create a district that would be a model for responsible urban development - an alternative to land-consumptive and automobile-dependent development patterns throughout the region that could influence the form and pattern of growth within Austin as it entered the new millennium. With this vision, the task force and the City Council articulated six clear goals, stating the redevelopment of RMMA must marshal long-term market forces through an effective public-private partnership to promote:

- I. **Fiscal Responsibility:** Redevelopment must create a positive revenue stream that will fund on-site infrastructure and increase the City's tax base for the benefit of all citizens.
- II. **Economic Development:** The project should serve to reinforce Austin's role in an increasingly global marketplace and create a wide range of employment opportunities for a diversity of the community's citizens.
- III. **East Austin Revitalization:** The project must promote economic development opportunities within East Austin, giving local residents a direct stake in redevelopment.
- IV. **Compatibility with Surrounding Neighborhoods:** Development must maintain and enhance the quality of life in adjacent neighborhoods, providing complementary linkages, land uses and transportation patterns.
- V. **Diversity:** Redevelopment must offer a wide range of housing choices in order to create a new community of socially and economically diverse residents.
- VI. **Sustainability:** Development should be planned in a way that promotes energy and water efficiency, environmental quality, reduced auto dependency, watershed protection and green space preservation.

In 1997, the City initiated the redevelopment master planning process that included comprehensive public participation at all stages of the work. Specific planning principles were established that became the structuring elements of the master plan to support a vision of a new community within a community – one that is welcoming, diverse and inclusive, that complements and extends the surrounding neighborhoods and that becomes an integral part of the urban and social fabric of Austin.

Redevelopment of the airport was also intended to achieve broader public objectives for economic development and revitalization, helping to overcome the perceptual barrier of the IH-35 freeway, and providing an alternative to the outward expansion of the City.

In 2000, the City Council accepted the "Robert Mueller Municipal Airport Redevelopment and Reuse Plan" and directed implementation of it, which subsequently led to the solicitation for a Master Developer for Mueller. Today, the Mueller Design Book serves as the Master Plan and encompasses and incorporates the 2000 Redevelopment and Reuse Plan along with refinements that have been made to the Plan since its adoption.

**1. Describe the board's actions supporting their mission during the previous calendar year. Address all elements of the board's mission statement as provided in the relevant sections of the City Code.**

- A. The Commission received a staff briefing on the status of the Mueller Parking and Transportation Management District (PTMD) at the June 8, 2021 meeting. City officials noted the district's metered parking revenue declined significantly from Fiscal Year 2019-2020 to Fiscal Year 2020-2021.
- B. The Commission received an update at the October 12, 2021 meeting on the status of Minority and Women-Owned Business Enterprise (MBE/WBE) activities to meet Mueller project goals. As of May 31, 2021, more than 90 minority and women-owned businesses had been awarded contracts worth \$51.46 million. The contracts represent 23.9% of the total contracts awarded by Catellus since the inception of the Mueller project. Hispanic American businesses received 41% of the contracts. Women-owned businesses received 31% of the contracts and African American business owners were awarded 26% of the contracts. The remaining contracts were divided between Asian Pacific American contractors (2%) and Native American businesses (0.03%). The contracts included services related to the completion of three parks, including the Southeast Greenway and housing construction in Section 10 and Section 11.
- C. The Commission received a briefing from the Economic Development Department on the financing of the Mueller development during the November 9, 2021 meeting. The Mueller finance report indicates the annual (2020) TIF revenue of \$9.2 million exceeds the project's \$4.6 million annual debt service. City economic department officials attribute the project's strong financial strength partly to strong sales tax growth and rising property assessed valuation.
- D. The Commission also received an update during the November 9, 2021 meeting from Catellus representatives and the Mueller Foundation regarding the status of the Affordable Housing program. At the time of the presentation, the Foundation had 536 affordable homes in its portfolio, including 45 housing units sold to households with incomes up to 120% of the Austin Median Family Income (MFI). The Foundation acknowledged it has released 32 homes for sale at market rate prices. In addition, Catellus reported Mueller has 828 affordable apartments that represent 29.1% of all rental units.
- E. Texas Teacher Retirement System (TRS) officials discussed their purchase of privately owned property in Mueller to serve as their new state headquarters at the January 11, 2022 meeting. TRS will partially finance the purchase with the sale of their current downtown headquarters site to the private sector.
- F. The Commission received updates from Capital Metro representatives at the September 14, 2021 meeting and the March 8, 2022 meeting on Project Connect plans and the potential impact on East Austin of new light rail routes. The presentations also included a review of MetroRapid and MetroBus routes serving the Mueller area.
- G. The Commission was briefed during the March 8, 2022 meeting on the preliminary designs for the I-35 Capital Express project. Texas Department of Transportation officials discussed alternative frontage road designs for intersections serving Mueller and other

East Austin neighborhoods.

- H. Austin Independent School District staff and contractors briefed the Commission at the April 12, 2022 meeting on the construction of a middle school at Mueller. AISD and City staff negotiated an arrangement to allow construction to be completed by the school's projected August 2023 opening date.
- I. Catellus representatives discussed the Mueller Property Owners Association (POA) budget process during the May 10, 2022 meeting. The POA budget includes funding for Mueller parks, including the various greenways that will be transferred to the City of Austin.

## **2. Determine if the board's actions throughout the year comply with the mission statement.**

The briefings on affordable housing options and the Mueller Foundation Affordable Home program support the Master Plan goal of affordability and diversity. The briefing on the Mueller project's financial status supports the goal of fiscal responsibility. The briefing on Minority and Women-Owned Business Enterprise outreach efforts supports the goals of economic development and East Austin revitalization. The various presentations on the I-35 central corridor designs and Capital Metro routes changes support the goal of compatibility with surrounding neighborhoods.

The Commission did not submit any resolutions to Council during the 12 months covered by this report.

## **3. List the board's goals and objectives for the new calendar year.**

The RMMA Plan Implementation Advisory Commission is charged with advising the City Council on the implementation of the Mueller Master Plan. For 2022, we will continue to advise the Council when requested, or when otherwise appropriate, and will continue to provide a venue for public input about Mueller's redevelopment and the dissemination of information regarding its progress. We will request information from the City staff to assure Mueller's redevelopment aligns with the Master Plan and the six goals established by the 1996 Robert Mueller Municipal Airport Process and Goals Task Force Report, which we use as a guide for our goals and objectives.

### **Fiscal Responsibility**

The Commission will request updates from the Economic Development and Financial Services Departments regarding Mueller's Tax Increment Financing (TIF), seeking assurance that:

- the TIF continues to protect the City of Austin from financial risk, and;
- the TIF still provides an adequate revenue stream to fund on-site infrastructure, and;
- Mueller will benefit the City's tax base once its TIF debt is retired, and;
- as the December 2, 2024 expiration of the Master Development Agreement (MDA) approaches, the financial stability of the Mueller Property Owner's Association and funding to maintain Mueller parks and other amenities open to the public is established and secure.



### **Economic Development**

The Commission may request information on the types of business being recruited to and locating at Mueller to ensure that a variety of employment opportunities, retail and services are being offered, and on the economic health of Mueller's institutional and commercial entities.

We may also request a Catellus update on the status of the good faith effort for a 30% minimum of locally owned businesses in the Town Center, and the contracting and employment goals for Minority & Women Owned Businesses, as stipulated in the MDA.

### **East Austin Revitalization**

The Commission may seek information to determine where those who patronize businesses, visit parks or are employed at Mueller reside in order to determine if the east Austin community is benefiting as envisioned. Early in Mueller's redevelopment discussions, the community expressed the desire to preserve Mueller's iconic Control Tower and Hangar. The Commission will continue to ask for updates on the future of the Tower and Hangar, their possible reuse, and/or their disposition. We will encourage Catellus and the City to seek public input for the programming and planning for those structures and their surroundings.

### **Compatibility with Surrounding Neighborhoods**

The Commission supports Mueller land uses that are complementary to adjacent neighborhoods and accessible via safe, multi-modal avenues and connections to the larger community.

We will request updates from the City's Transportation Department and others regarding:

- the East 51st Street Mobility Project, and;
- the Airport Boulevard improvements, and;
- the impact of the proposed IH-35 redesign on access to Mueller, and;
- any other proposed transit or transportation developments affecting or improving Mueller's accessibility.

Though most aspects of the University of Texas' Mueller campus and the coming Austin Independent School District middle school at Mueller fall outside of the City's, and our, purview, we may seek updates on their respective schedules in order to convey that information to the community. We may inquire about any UT services and programs anticipated on their site that might provide direct benefits to the community and will continue to advocate for a complementary or joint-use facility adjacent to the AISD school as noted in the MDA and on Mueller's illustrative plan.

### **Diversity & Affordability**

The Commission will request updates on the long-term sustainability of Mueller's success in exceeding the goal that 25% of Mueller's dwelling units be initially affordable, on the Mueller Foundation's audit, and though limited by jurisdictional constraints, we will urge continued communication between the City of Austin, Travis Central Appraisal District, and the Mueller Foundation to maintain long-term affordability in perpetuity.

The Commission will ask for updates regarding:

- the mix of market-rate and affordable housing types offered, including family-friendly, multi-bedroom dwellings that are necessary to provide more socio-economic diversity at Mueller, and;
- the impact of rising costs for underserved populations, including seniors on fixed incomes, and;
- the affordable program's outreach to those intended in the City's vision, and;
- creative design opportunities to increase the range of affordable offerings, and;
- the affordable housing program's sustainability beyond the Master Developer Agreement.

### **Sustainability**

The Commission may request updates on best practices for meeting climate-change challenges, providing alternative transportation options, and plans for accommodating the growing electric vehicle market.

Lastly, meetings of the Commission's Transition Working Group, formed in 2018 to begin addressing how Mueller will evolve once the MDA is complete, were interrupted by the COVID pandemic, but hope to resume in the near future. In any case, the Commission hopes to receive regular updates from the City and Catellus regarding needed policy considerations to address the ongoing governance and management of Mueller, its community venues and events, about lessons learned regarding master planning and sustainable development, on how successes like Mueller's affordable housing program will continue and might be replicated elsewhere, and to better understand what the future holds for this extraordinary joint venture.