

4.17.23

## Austin Urban Renewal Board-11<sup>th</sup> Street Redevelopment of Blocks 16 & 18

Drafted by Austin Economic Development Corporation, based on Urban Renewal Board and Community input to date. The following is anticipated to be further edited and refined within the Final RFP document and integrated with other relevant/typical development solicitation sections and requirements. A version of this document has been reviewed at the January, February, March Urban Renewal meetings, and related public sessions.

### **Summary Transaction Term Outline**

**Primary Site:** 2 blocks, Blocks 16 & 18 of the Urban Renewal Plan

**Ancillary Site(s):** Not included in this solicitation, but for consideration in site planning given the proximity and potential for integration

**Proposer:** 1 development team that could be comprised of multiple development partners. The development team does not need to be fiscally or legally a formal corporate entity.

**Parcel Development Opportunity:** Both parcels could be developed by the same team, and/or two teams who have joined for the purposes of this RFP, but will be financing and developing as separate projects.

**Transaction Structure:** Ground Lease at a minimum of 50 Years.

**Required Program:** Affordable Housing units, and Cultural Venue(s)

**Desired Program:** Small Neighborhood serving businesses (retail, food-based, creative service, non-profit businesses reflecting the cultural heritage district)

**Innovation:** Pathways to ownership in program areas

**Stakeholder Engagement:** Developer will be expected to develop an engagement plan, activation strategy, and regularly engage with a 'Stakeholder Group' formed by the Urban Renewal Board as well as support for long-term district management strategy.

**RFP Process & Expectations:** 2 Part Process

Part 1: Qualifications, Capacity, Conceptual Proposal

Part 2: Detailed Proposal, Final ProForma/Financial Proposal, Timeline and construction strategy

**Asset Manager for Ground Lease:** AEDC, on behalf of Urban Renewal Board

**Commercial /Cultural Condo Owner (If Applies):** AEDC Right of First Option

**Recommended Partners:** TBD

## **Draft Overarching Goals**

The Development will demonstrate best practice to achieve an inclusive and vibrant district user experience, anchored in the cultural identity of this place. This project must **contribute directly to** the historic legacy of this area to African Americans (residents, businesses, and community institutions) at the heart of the Six Square Cultural District while catalyzing a contemporary and vibrant arts/culture/business and living hub that is open to all Austinites.

The Development will achieve best practice in equitable development strategies by considering past inequities and the racial wealth gap experienced by underserved, under-represented, and marginalized individuals and groups in all aspects of bringing these important blocks to fruition through development and operations.

**The Development will engage long-time neighborhood stakeholders (resident and businesses), encourage the return of prior residents and businesses, and attract new residents and businesses that represent the historic cultural legacy of the district . The development will demonstrate pathways to ownership for residents, businesses and cultural organizations to minimize further displacement by reducing exposure to market rate rent increases for residents and small businesses.**

The Development will successfully balance programs that support increased tourism to support local businesses and cultural venues with the day-to-day uses by existing residents and businesses.

The Development will contribute directly to the eclectic and vibrant urban character of the neighborhood—helping facilitate enjoyable user experiences walking in and around the developments, providing options to support the multi-modal transportation needs of residents and businesses to retain a walkable district, and balancing the amount of any related parking with proposed actual demand.

The Development will provide a clear partnering strategy to accommodate some of the specialized program uses and specifically networks of potential users/customers of particular program spaces.

The Development's architectural and urban design should respond to, and be respectful of, the adjacent and nearby historic landmarks. This specifically includes, but is not limited to, the Victory Grill (1104 East 11th); African American Cultural and Heritage Facility (912 East 11th); Herman Schieffer House (1154 Lydia) and Moonlight Tower (Intersection of Lydia and East 11th).

### **Program Criteria**

Based on input to date this is a summary for review and comment:

The following program uses will be required to be a part of the development proposal:

- Affordable Housing—please see following requirements
- Cultural Venue(s)—please see following **policy recommendations**

The following programs have been identified as high priorities (will be directly reflected on scoring to include up to two of the following)

- **Retail for supporting small businesses (affordable for neighborhood-based businesses, pathways to ownership recommended)**
- **Food-based retail/small grocery with affordable pricing options.**
- Outdoor public space that provides diversity of urban experience and relief to the overall building density as well as facilitate district activating public programming. Increased consideration for space that provides performance space functionality for a minimum of **99** people.

The following program areas have been identified as priorities (will improve your score with bonus)

- Office space (small business professional space, creative/non-profit)

### **Site Criteria & Urban Character**

- Draft Description for Site Criteria

This is a unique site, the last large open parcels in a rapidly growing district, and the site response here will have significant impact on the surrounding community. There are specific site features needed, and a desire to integrate the development into the neighboring district effectively. Given the scale of housing on the immediately adjacent blocks along Juniper Street, it is imperative that the developer provides a well-detailed and considerate street frontage that does not look like a 'back door' to a development, and is a good neighbor to the existing housing on Juniper.

- ☐ The project shall integrate with the surrounding historic character of the district. This is not requiring or requesting a response that is architecturally duplicative or designed to make new construction appear as historic. Rather design elements such as scale; building massing, placement, and setbacks; materials, and streetscape, as well as construction methods, not damage or detract from the historic character, significance, and use of the landmarks.
- ☐ As feasible, existing trees should be saved or relocated, to accommodate the maximum amount of program area on these compact blocks. There is one heritage tree, as visible on the surveys, and care should be taken with any relocation strategy to assure the survival of the tree.
- ☐ Where feasible, publicly accessible greenspace should be included in the proposal, whether as a pocket park and/or rooftop accessibility—consider ways to create an all-season and differentiated set of spaces to help facilitate special events, outdoor performance (50 persons minimum) and other community-based uses.
- ☐ Sidewalks should be developed and designed to be equivalent to the Great Streets program, especially along 11<sup>th</sup> street. The side streets shall be designed to be comfortable primary walkable

connectors between residential areas and the primary commercial of 11<sup>th</sup> Street

- ☐ At ground level, program along 11<sup>th</sup> street should include active uses, as commensurate with primary public facing street frontage. Facades should be considered as feasible with welcoming and transparent materials, that will remain open and visible to the activities within.
- ☐ Developers will provide multi-modal transportation accessibility and relevant transportation demand management strategy to accommodate the various modes of transportation likely to interface with the development (including walking!)
- ☐ The development should include ample public infrastructure accommodations/accessibility for walkers, bikes, scooters, and bus riders.
- ☐ Parking should be considered well balanced with demand/market needs, considering district parking needs (accessible to the public), potential shared parking strategies, and minimizing any inefficient parking surplus.
- ☐ Entrances to parking, or building servicing access, should be on side streets, as to not to interrupt foot traffic on 11<sup>th</sup> street, or create additional burden along Juniper Street to residents.
- ☐ Exterior facades should be designed to enhance the neighborhood character, and provide detail and relief to avoid long/monotonous facades.

## **Affordability Goals**

Priority will be given to projects that provide over 75% of program area to public benefit (affordable housing plus cultural venues and if feasible affordable retail/ working spaces), and all functions and programs on the site should be considered for providing affordable options.

### **Housing:**

Maximize the Number of Affordable Housing units. A majority of units should be restricted affordable (More than 50% of the units), and points will:

- Priority will be given to projects that maximize the number of units that are restricted to household earning at or below 60% AMI for rental units and 80% AMI for ownership units, on average, assuming that all restrictions will need to be for long terms (as financing allows).
- Priority will be given to projects with a variety of unit sizes to accommodate mixed income strategies. Projects that only have studios and one-bedroom units will not be considered a 'variety'.
- Family and student/staff-friendly accommodation strategies are welcomed, and multi-unit sizes should be aligned with other amenities included to support family or student living needs, and unit design should support long-term flexibility of housing options.
- Optional/Desired Strategies:
  - Provide implementable strategies for alternative housing models such as shared equity/cooperative ownership or renter wealth creation funds that permit equity-building options for residents.
  - Provide units that align to the Right to Stay/Return Preference Policy that meets the criteria described in

AHFC's memo to City Council on November 6, 2020  
(<http://www.austintexas.gov/edims/pio/document.cfm?id=330910>)

- Strategies that include student housing/faculty or staff housing proposals must include specific unit sizes and expected rental information as aligned with demonstrated institutional needs, and identification on how these units will be supporting long-term housing needs.

Cultural/Business/Commercial: Other program items included (retail, office spaces, cultural space) should identify strategies to engage operators that would be able to provide affordable pricing (below market) to at least 20% of the relative program areas.

Priority will be given to developers that provide implementable alternative business models such as shared equity/cooperative ownership or renter wealth creation funds that permit equity-building options for small businesses

### **Cultural Venue Goals:**

The cultural venues are a key component to the development in order to replace lost venues as well as complement existing venues in the district. These are not just considered performance spaces, but true working cultural facilities that support day and night uses, increase both tourists and area residents in the use of the spaces, and provide additional opportunities for community cohesion.

There is intent for this development to include the types of spaces as listed in Council Resolutions

<https://www.austintexas.gov/edims/document.cfm?id=366271>, .

The Developer is asked to provide a definitive plan to partner with potential operator who would operate such a facility. The Developer must provide a proposal for providing at least the core and shell for the arts venue, with a

plan how it integrates with other uses on the block and is publicly accessible. If unable to include the full fit out of the facility at the time of submission, the Developer must provide an estimate and funding strategy for the full fit out of the arts space if funding for the interior fit out of the space.

Developers can partner with the AEDC Austin Cultural Trust program to help identify potential operators who could be considered for the future facility.

### **Developer engagement with the community:**

The Urban Renewal Board expects the Development team to have genuine and consistent engagement with the community and key district stakeholders throughout the course of development and beyond.

There will be a Stakeholder Group set up by the Urban Renewal Board, representative of various voices in the District, that the Developer is anticipated to work with throughout the final pre development and development phases, to assure that the uses, architecture, and operation of the facility integrates within the community fabric. Through coordination with this Stakeholder group, the Developer shall meet with the community more broadly at regular intervals.

The development team should propose current or additional temporary site use during the pre-development and development process such as the continuation of Kenny Dorham Backyard, interim site use to support Juneteenth, Arts/Cultural festivals supporting local artists, ACL/SXSW support programming that highlights the local cultural district—either directly or in partnership.

Also, the development team is asked to propose ways to help support the overall district management through commitment to lead discussion around future district finance strategies that could support (including but not limited to) district security, maintenance, and marketing of the overall district amenities.



## **Adjacent Parcels/Site Considerations**

Developers are asked to consider the following possible partnerships in their proposals, however the engagement with these partners is anticipated in the second phase of the RFP process. Initial proposals should consider how these partners may be engaged in future development coordination.

City of Austin: Two parcels immediately adjacent to the African American Cultural and Heritage Facility (AACHF) are not part of this RFP, and are currently under Economic Development Department Supervision. Developers are able to propose what/how these parcels could be best utilized as a part of the design of Block 16 if future AAHCF programming expansion is accommodated in Block 16.

African American Cultural and Heritage Facility: The existing facility will go through a strategic planning effort and potential expansion in 2023-4. Developers are to consider various ways to integrate new programming space into the development that might complement and integrate the existing facility. Specifically:

- Additional cultural space located along 11<sup>th</sup> adjacent to the existing facility could provide additional activation and vibrancy to the block.
- Access in and to existing facility must be maintained, including during construction.
- Existing Mural facing Block 16 must be preserved. Opportunities to relocate and/or reposition for best viewing capacity shall be proposed.

Victory Grill: Development team shall propose design and massing strategies that respects the existing operations of the Victory Grill and does not impede future operations of the venue. Additionally, any existing site conditions that include existing and/or utilities must be incorporated into the final proposal.

Austin Revitalization Agency: ARA is a long-standing property developer in East Austin, specifically having developed the closeby Street-Jones and Snell buildings. Additionally ARA owns the two parcels to the east of Block 18.

Huston Tillotson: An key anchor institution within East Austin, this institution with significant historical relationship to the 11<sup>th</sup> Street Corridor, has expressed interest in partnering in the future development for housing, cultural and commercial spaces.

TBD (Other organizations and partners have expressed interest and will be revealed within the final RFP, or any related addendum).

### **Performance Goals**

- ☐ Sustainability
- ☐ Operations & Maintenance
- ☐ Multi-Modal Accessibility & Transportation Demand Management