

## M E M O R A N D U M

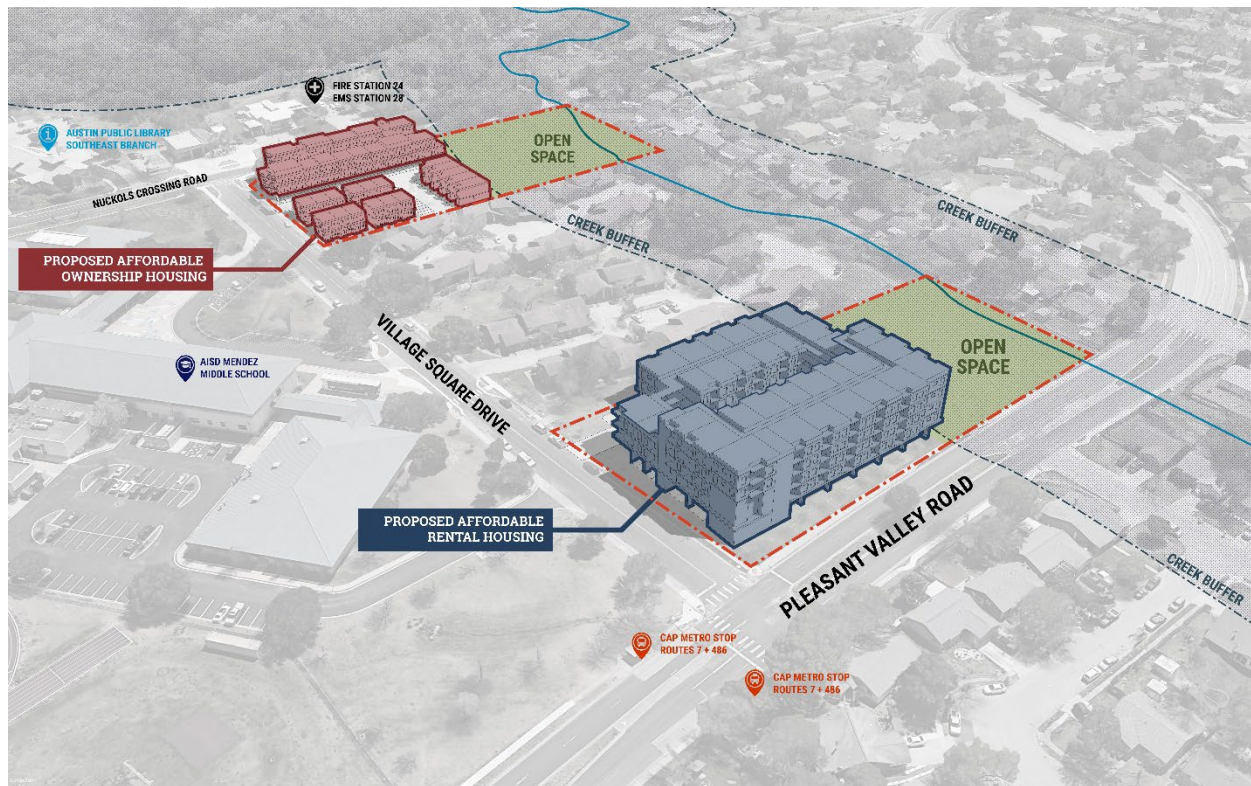
**TO:** AHFC Board of Directors

**FROM:** Rosie Truelove, Treasurer, Austin Housing Finance Corporation *RT*

**DATE:** July 13, 2023

**SUBJECT:** **5900 S. Pleasant Valley Road Request for Qualifications Solicitation Award**

This memo provides a summary of Austin Housing Finance Corporation (AHFC) staff recommendation for the development of an AHFC-owned property at 5900 S. Pleasant Valley Road, located in Council District 2. As detailed below, staff recommends that the AHFC Board authorize negotiation with Structure Development & JCM Ventures to develop the approximately 2.5-acre site. All related solicitation materials are available here: <https://www.austintexas.gov/page/request-proposals>.



*Figure 1. Preliminary development concepts for 5900 S. Pleasant Valley Rd. and 5901 Drowsy Willow Trail. (h+uo architects)*

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## **Background**

AHFC purchased 5900 S. Pleasant Valley Rd. and 5901 Drowsy Willow Trail in 2021 using 2018 General Obligation Bond funds earmarked to expand the city's affordable housing stock. In 2022, AHFC initiated the first steps in preparing for the solicitation and ultimate redevelopment of these tracts by engaging h+uo architects to determine preliminary site yields and conceptual massing, and in turn, create preliminary development concepts and priorities for presenting to the community (see Figure 1).

Between January and March 2023, AHFC invited the community to provide feedback to help shape the preliminary development priorities and concepts. To help share information, AHFC launched an English / Spanish bilingual project website with an online survey, overview video, and additional informational materials: <https://publicinput.com/5900southpleasantvalley>. To solicit feedback, AHFC met with ten community groups and stakeholders, tabled at five community events, promoted the website and survey through social media and newsletters, posted yard signs in the immediate neighborhood advertising ways to provide feedback on the project, and mailed flyers and surveys to all addresses within 500 feet of the project site. All outreach and engagement materials were provided in both English and Spanish.

Among the feedback received, the following themes were identified:

- Support for **mix of ownership and rental housing** opportunities.
- Support for **serving existing residents at risk of displacement** from and **households with generational ties** to the neighborhood.
- Concerns related to **traffic on Village Square Drive, Nuckols Crossing Road, and Pleasant Valley Road**; some residents requested ingress/egress to the developments on Nuckols Crossing Road and Pleasant Valley Road, in addition to Village Square Drive, as the road currently experiences heavy school and resident traffic; others shared concerns about inadequate capacity on Nuckols Crossing Road / Pleasant Valley Road to accommodate additional residents.
- Concerns related to **parking**, including not enough parking provided within the development concepts and limited/strained existing street parking supply.
- Concerns related to **flooding** and desire for flood mitigation considerations as well as evacuation plans.
- Concerns related to **good neighbor practices**, particularly with regards to the existing Village at Pleasant Valley condominiums; desire for consideration of construction noise, traffic, debris, safety, and fencing; desire for a permanent fence around the development; desire for no balconies along eastern lot line; desire for lower building heights overall and/or adjacent to existing condominiums.
- Concerns related to **incomes served**; mixed input with some residents preferring deeper income targeting (e.g., majority of rental units serving ≤ 50% MFI), higher incomes served, or no income-restricted housing whatsoever.
- Desire for **additional community amenities**, including general interest in indoor facilities (e.g., laundromat, daycare, community space, theater, weight room, coffee shop, affordable grocery, bike storage) and outdoor spaces (e.g., playground, dog park, pickleball/hand ball courts, trails, garden, bike and e-bike rental, pool).

AHFC incorporated community input into the development concepts, priorities, and the competitive Request for Qualifications (RFQ). A summary of the feedback received and how it was addressed in the RFQ is available on the Active RFP webpage: <https://www.austintexas.gov/page/request-proposals>.

## **Solicitation and Evaluation**

On March 29, 2023, AHFC released the RFQ solicitation to develop, own, and operate a proposed approximately 90 to 100-unit multifamily apartment on 5900 S. Pleasant Valley Road. Later this year, AHFC will release a separate solicitation to identify a preferred developer to partner with AHFC to develop approximately 40 to 50 units using AHFC's community land trust (CLT) model on the eastern lot (Block 4, 5901 Drowsy Willow Trail). Both solicitations feature the development concepts refined through community engagement efforts.

Applications for the Pleasant Valley tract (Block 1) were due April 26, 2023. AHFC received 10 applications, all of which met the minimum requirements for responsiveness.

AHFC assembled a panel of subject matter experts to review and score the applications. The evaluation panel was comprised of city/AHFC staff, as well as a representative from AISD. The panel reviewed applicant qualifications, financial capacity, and sample work following the scoring criteria outlined in the RFQ. The top two scoring applicants were invited to participate in an interview to share more about their qualifications; interviews were held on May 15. The final applicant scores, recorded interviews, and redacted applications were released on May 19 for Public Evaluation; the Public Evaluation period was initially scheduled to close June 8, 2023, but was extended by two weeks at the request of District 2. Through June 22, 2023, the public was invited to review the applications, watch the interviews of the two invited respondents, and then vote for their preferred development partner via a survey.

The city received 23 unique responses to the survey. The highest-scoring application received the most support from survey participants who live within the project zip code, with seven of the 10 survey participants who live in 78744 voting for Structure Development & JCM Ventures. DMA Development Company + JSA Development Company received the most votes overall with 12 applicants voting in favor of this development team.

While all applicants presented compelling qualifications, Structure Development & JCM Ventures is the most responsive to the identified community and affordable housing priorities, including good neighbor practices during construction and operation, community involvement and racial equity, and demonstrated ability to deliver innovative and on-budget projects.

## **Additional Information**

Additional information, such as the panelist scoring matrix and the public survey summary, is provided in backup to this item. Additionally, solicitation information and all responsive applications can be found on the RFP website: <https://www.austintexas.gov/page/request-proposals>

Should you have any questions, please do not hesitate to contact me at [Rosie.Truelove@austintexas.gov](mailto:Rosie.Truelove@austintexas.gov) or (512) 974-3064, or James May, [James.May@austintexas.gov](mailto:James.May@austintexas.gov) or (512) 974-3192.

cc: Jesús Garza, Interim City Manager  
Veronica Briseño, Assistant City Manager