

WHEREAS, the City Council is committed to maximizing community benefits on City-owned property; and

WHEREAS, Resolution No. 20230720-132 directed the City Manager to retain City ownership of the properties, explore affordable housing scenarios on-site and within the Palm District Planning area, explore lead negotiators, and provide a comprehensive report on market feasibility of the site redevelopment to inform next steps; and

WHEREAS, the ongoing Palm District Plan, which study area includes HealthSouth, calls for a variety of strategies to grow inclusively in this vibrant, transit-oriented district, including leveraging redevelopment to increase housing density for all socioeconomic groups; and

WHEREAS, the Austin Strategic Housing Blueprint states, “Building affordable housing on developable public land in key locations near transit and job

centers is invaluable in helping low-income workers and families live close to jobs and schools, while decreasing congestion and pollution”; and

WHEREAS, the parcels at 1215 Red River & 606 East 12th Streets provide a unique opportunity to creatively establish an inclusive, mixed-use development, while supporting other assets in the area, such as the Innovation District, Waterloo Greenway, and Red River Cultural District; **NOW, THEREFORE**,

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

The City Council supports redeveloping the site at 1215 Red River and 606 East 12th Streets as an inclusive, mixed-use development that maximizes units affordable to households earning between 50 and 80 percent of Austin’s MFI and prioritizes local ground floor retail and restaurant uses, at a minimum. The City Council desires for the Austin Housing Finance Corporation (AHFC) to continue exploring this redevelopment option and to:

1. Continue to refine staff’s recommendation by developing a proposal for an affordable housing development on a portion of the site. When defining the portion of land dedicated to on-site affordable housing, AHFC is encouraged to creatively and thoughtfully consider existing land constraints and resubdivision to maximize developability of the tracts as a whole. Return, at a minimum, with details on number of units, income mix, bedroom mix, longevity of affordability, acreage needed, and any proposed community amenities;
2. Prepare an estimated yield analysis of other alternative on-site affordability proposals for the entire site based on strong, fair, and poor market conditions. For analysis purposes only, AHFC is to

utilize ground floor retail and community and cultural space as other priorities to consider; and

3. Return to Council with the detailed on-site proposal and alternative comparison for recommendation by January of 2024.

ADOPTED: _____, 2023 **ATTEST:** _____
Myrna Rios
City Clerk