

DATE: November 27, 2023

TO: Leah Bojo
Applicant's Representative

FROM: South Congress Combined Neighborhood Plan Contact Team – SCCNPCT

CC: Maureen Meredith (City of Austin), SCCNPCT Members

Re: Affordability and Benefits Scenarios based on height, to be confirmed in a Restrictive Covenant

For: Two Cases:

(1) Case number: NPA-2023-0020.03 - C14-2023-0044
300-400 Industrial Blvd. NPA; in South Austin - District 3
Zoning Change from: LI-PDA-NP to LI-PDA-NP
*** For an increase permitted density of 600 units & height of 120 ft.**

(2) Case number: C14-2023-0046
506 & 600 Industrial Blvd & 4138 ½ Terry O Lane; in South Austin - District 3
Zoning change from: LI-PDA-NP (C14-2023-0046) to LI-PDA-NP
*** For an increase permitted density of 200 units & height of 120 ft.**

The SCCNPCT has requested a commitment to real affordability with these two proposed developments, which at 120ft in height, could be the tallest buildings (120ft) in South Austin.

There are currently no other buildings at 120ft in height within the requested zoning area. Along the South Congress corridor, buildings are at 60ft max. height, and in the interior of the St. Elmo/Industrial district, there is only one other property recently negotiated that is proposed/projected at 90ft max.

Initially for one property, the proposal was for developing at 90ft of height, then to learn at the negotiating table, the request had changed to 120ft.

With unprecedented height proposed for the above developments, likewise the SCCNPCT has requested increased "Real" affordability, which is so badly needed within our area, as well as all of the city.

At 120ft in height, both proposed projects together would produce a total of 800 rental/residential units. The SCCNPCT does not support developing over 90ft. max height within the St. Elmo/Industrial district. The SCCNPCT will be losing property dedicated to the Bergstrom Spur.

The applicant's offer of only 7.5-9% affordability, a mere 60-72 units out of 800 is unacceptable. The real need is "Real" affordability.

For these reasons, the SCCNPCT is unable to support these requested zoning changes at Planning Commission.

Mario Cantu
Chair SCCNPCT

Examples of affordability at 60ft & 90ft

VMU1 (60 feet) affordable units – 10% of the units @ 60% MFI

VMU2 (90 feet) affordable units – 15% of units @ 60% MFI, or 12% of units @ 50% MFI.

Other requests from SCCNPCT

SCCNPCT's requests,

12% @ 50% MFI 72 units

6% @ 60% MFI 36 units

2% @ 30% MFI 12 units

Requested 120 units @ 120 feet.

Initial Requests.

SCCNPCT Affordability Requests

(60 feet), SCCNPCT requests:

- A total of 10% of the units
 - with 5% offered at 50% MFI, and
 - with 5% offered at 60% MFI
- \$ 45,000.00 additional Parkland Fee donation
- \$ 5,000.00 Artist donation

(90 feet), SCCNPCT requests: VMU1-VM2

- A total of 15% of the units
 - with 5% offered at 50% MFI, and
 - with 5% offered at 60% MFI, and
 - with 5% offered @ 30% MFI
- \$ 60,000.00 additional Parkland Fee donation
- \$ 6,000.00 Artist donation

For number of affordable units in development with vertical maximum height of **120 feet**, SCCNPCT requests:

- A total of 20% of the units
 - with 10% offered at 50% MFI, and
 - with 5% offered at 60% MFI, and
 - with 5% offered @ 30% MFI
- \$ 120,000.00 additional Parkland Fee donation
- \$ 10,000.00 Artist donation

Along with:

- All affordable units receiving reduced property, parking, amenities, usage fees, etc. in excess of rent or mortgage at these same discounted rates above.
- A contracted non-biased third-party nonprofit organization to manage sale or lease of all affordable units.

Additionally,

Excluded retail uses.

Includes:

- o Adult-oriented businesses
- o Alternative financial services, including title loan and pay day lenders
- o Bail bond services
- o Outdoor entertainment; and
- o Outdoor sports and recreation
- o Game/Gaming Rooms
- o Businesses selling: Harmful Nicotine Products

Other Elements of the Proposed Agreement:

Sale of Property. Should the Owner sell the Property subsequent to the effective date of a signed Restrictive Covenant, subsequent owners shall contact the SCCNPCT. If a new VMU building is proposed that differs from the Project specification, owner shall contact SCCNPCT to inform and discuss with them of any proposed changes.

Sidewalk(s). Unless otherwise required by the City of Austin or other governmental agency with jurisdiction over the Property, the Property shall include a pedestrian sidewalk along the south side of Industrial Blvd and east facing of Terry O' Lane.

Onsite Pet Area. Unless otherwise required by the City of Austin or other governmental agency with jurisdiction over the Property, the Project shall include a designated on-site pet area, provided the Project includes residential units.

Additional Parkland Fee Donation. As noted above.

Onsite Lighting. Unless otherwise required by the City of Austin or other governmental agency with jurisdiction over the Property, the Project shall include all onsite lighting that is shielded and not outward facing onto adjacent or neighboring properties, which shall meet the requirements of the city of Austin.

Security. Security cameras and monitoring shall be incorporated into the Project.

Air Quality: The proposed development shall comply with all applicable City of Austin regulations related to air quality.

Bergstrom Spur hike-and-bike trail. Applicant to consult and coordinate with responsible City of Austin staff and with SCCNPCT to define a set of amenities that will be included in the project plan which will enhance the experience of bicyclists and pedestrians using the Bergstrom Spur Hike-and-Bike Trail to the north of the property. Possible amenities include bicycle parking racks that facilitate locking one's bicycle, drinking-water fountains, water-filling stations, shaded seating, etc.

Construction-Site parking. All contractors shall provide off-site parking for all construction workers during the construction phase/stages.

Contact Person. Owner shall establish and designate a single point of contact to SCCNPCT to address any issues that may arise during construction. Should the contact person change, Owner shall notify the SCCNPCT within 10 Business days.

The related clause confirming affordability in a Restrictive Covenant may read, for example:

2. **Affordable Requirements for Rental Units.** If Owner seeks exemptions to the dimensional and parking requirements set forth in Subchapter E § 4.3.3.E of the Code, then Owner agrees that for a minimum of 40 years following the issuance of the certificate of occupancy, 5 percent of residential units in the VMU building of the total units the city will approve and the owner will build shall be reserved as affordable for rental or purchase by households earning no more than 60 percent of the Annual Median Family Income (MFI), and 5 percent of residential units in the VMU building of the total units the city will approve and the owner will build be reserved as affordable for rental or purchase by households earning no more

than 50 percent of the MFI (for a total of 10 % affordable units). In addition, the owner shall contract with a nonprofit organization to manage the affordable units.