

ZONING CHANGE REVIEW SHEET

CASE: C14-2024-0029 – 2706 Gonzales & 2730 E 7th

DISTRICT: 3

ADDRESS: 2706 Gonzales Street & 2730 East 7th Street

ZONING FROM: CS-V-NP

TO: CS-V-DB90-NP

SITE AREA: 3.117 acres

PROPERTY OWNER: The Dale L. Martin and Suzan S. Martin Revocable Trust

AGENT: Dubois Bryant & Campbell, LLP (David Hartman)

CASE MANAGER: Marcelle Boudreaux (512-974-8094,
marcelle.boudreaux@austintexas.gov)

STAFF RECOMMENDATION:

The Staff recommendation is to grant general commercial services – vertical mixed use building – density bonus 90 - neighborhood plan (CS-V-DB90-NP) combining district zoning.

For a summary of the basis of Staff's recommendation, please see pages 2 – 4.

PLANNING COMMISSION ACTION / RECOMMENDATION:

April 23, 2024

CITY COUNCIL ACTION:

May 30, 2024

ORDINANCE NUMBER:

ISSUES:

In December 2023, Ordinance No. 20220609-080, Ordinance No. 20221201-056 and Ordinance No. 20221201-055 were invalidated. On March 11, 2024, Ordinance No. 20240229-073, was enacted to create the “DB90” combining district, which amended City Code Title 25 (Land Development) to create a new zoning district for a density bonus program that grants 30 feet in height above the base zone, to a maximum of 90 feet, and modifies site development regulations including compatibility standards. Subsequently, the applicant submitted a rezoning application to request the -DB90 combining district, in order for the City to continue review of site plan.

CASE MANAGER COMMENTS:

The subject rezoning area consists of 3.117 acres and is located at the northwest corner where Gonzales Street, East 7th Street and North Pleasant Valley Road intersect. The property is currently developed with a general retail sales establishment (auto parts) and associated parking, and a drive-through restaurant previously occupied the property.

The property is located at the northwest corner where Gonzales Street and East 7th Street cross, at the intersection with North Pleasant Valley Road within the Govalle/ Johnston Terrace Neighborhood Plan area. To the north and west is Parque Zaragoza neighborhood park (P-NP), as the property is situated at the Park's southeast corner within the block that forms the park. To the east across North Pleasant Valley Road is single family residential (SF-3-NP). Immediately across from the site to the south, frontage on East 7th Street includes a commercial center with anchor grocery and supporting commercial (GR-NP) and on Gonzales Street is an automotive service and repair station (CS-V-CO-NP).

Please refer to Exhibits A (Zoning Map), A-1 (Aerial View).

The property is located within the Govalle/Johnston Terrace Neighborhood Plan Area, and is located within an area that was initiated by the City to zone certain tracts within the Neighborhood Plan area to accommodate the -V zoning district in 2008 (Ordinance No. 20081120-076).

The applicant is requesting general commercial services – vertical mixed use building - density bonus 90 – neighborhood plan (CS-V-DB90-NP) combining district for a proposed development that would include multi-family units requiring an affordable component. A building constructed under density bonus 90 (–DB90) standards allows for a mix of residential uses and commercial uses, and the result is typically retail, restaurants and offices on the ground floor, and residential units on upper levels. The overall project would consist of 360 residential units and 12,975 square feet of general office. In November 2023, City Council approved an amendment to a restrictive covenant on the property, which removed a height restriction on the property.

A development utilizing the “density bonus 90” incentives is permitted with a base CS district, and must include an affordability component for residential use in order to obtain incentives, including height maximum of 90 feet in the CS district (60 feet base plus 30 feet incentive) and relaxation of development and compatibility standards, such as FAR, setbacks and building coverage. There are several methods of satisfying DB90 development affordability requirements. There are two options for projects including rental units:

- 1) a minimum of 12% of the rental units in a building are affordable for a 40-year period for households earning 60% or less than the Austin-Round Rock Metropolitan Statistical Area MFI; or
- 2) a minimum of 10% of the rental units are affordable for a 40-year period as described above for households earning 50% or less MFI.

There are two options of satisfying DB90 development affordability requirements which include ownership units:

- 1) a minimum of 12% of the rental units in a building are affordable for a 40-year period for households earning 80% or less than the Austin-Round Rock Metropolitan Statistical Area MFI; or
- 2) an in-lieu-fee payment to the Housing Trust Fund, equivalent to the required percentage of the total residential units, including the mix of bedrooms required, at the rate set in the fee schedule at the time of final site plan submission.

The site plan for this property is currently under review pursuant to an Ordinance which was subsequently invalidated by Court ruling. The City previously undertook zoning of this property with the -V combining district during the Neighborhood Plan process. This current request for the -DB90 combining district continues to align with City objectives to increase density and affordability in exchange for relaxed development standards.

BASIS OF RECOMMENDATION:

1. *The rezoning should be consistent with the policies and principles adopted by the City Council.*

City Council has provided policy and direction for having more residential density and increased affordability, as well as incentivizing vertical mixed use buildings throughout the City. City Council previously approved rezoning this property to allow for vertical mixed-use buildings. This request is consistent with the “VMU2” option and Ordinance No. 20240229-073, which replaced the invalidated “VMU2” option.

2. *The proposed zoning should be consistent with the purpose statement of the district sought.*

The general commercial services (CS) district zoning is intended for commercial or industrial uses that typically have operating characteristics or traffic service requirements generally incompatible with residential environments.

Vertical Mixed Use Building (V) combining district may be applied in combination with any commercial base zoning district and allows for a combination of office, retail, commercial and residential uses within a vertical mixed use building.

The proposed density bonus (DB90) combining district, in exchange for providing affordable housing units and in combination with commercial base zoning districts, allows a mixture of office, retail, commercial, and residential uses with modifications of compatibility standards and site development regulations including increased building height.

The neighborhood plan (NP) district denotes a tract located within the boundaries of an adopted Neighborhood Plan.

3. *Zoning should promote clearly-identified community goals, such as creating employment opportunities or providing for affordable housing.*

This rezoning authorizes a property to participate in a voluntary density bonus or incentive program that provides modifications to development regulations or other regulatory-related benefits in exchange for community benefits. In exchange for increased development potential, the development is required to comply with affordable housing requirements.

EXISTING ZONING AND LAND USES:

	ZONING	LAND USES
<i>Site</i>	CS-V-NP	Restaurant (Limited); General Retail Sales (General)
<i>North</i>	P-NP	Parks and Recreation Services (General)
<i>South</i>	GR-NP; CS-V-CO-NP; SF-3-NP	General Retail Sales (Convenience and General); Automotive Repair Services; Restaurant (Limited and General); Service station; Personal services; Single family residential
<i>East</i>	SF-3-NP	Single family residential
<i>West</i>	P-NP	Parks and Recreation Services (General)

NEIGHBORHOOD PLANNING AREA: Govalle/ Johnston Terrace

WATERSHED: Boggy Creek - Urban

CAPITOL VIEW CORRIDOR: Yes (Gonzales Street)

SCENIC ROADWAY: No

SCHOOLS: Austin Independent School District

Govalle Elementary

Martin Middle School

Eastside Memorial High

COMMUNITY REGISTRY LIST:

Tejano Town

Preservation Austin

Guadalupe Neighborhood Development Corporation

Del Valle Community Coalition

El Concilio Mexican American Neighborhood

AISD

East Austin Conservancy

Austin Neighborhoods Council

Govalle Neighborhood Association

Holly Neighborhood Association

Homeless Neighborhood Association

Capital Metro Transportation Authority

Friends of Austin Neighborhoods

Neighborhood Empowerment Foundation

Govalle/Johnston Terrace Neighborhood Plan Contact Team

AREA CASE HISTORIES:

NUMBER	REQUEST	COMMISSION	CITY COUNCIL
C14-2023-0111 – 518 N. Pleasant Valley Road	From LI-CO-NP to CS-MU-V-NP	To Grant CS-MU-V- CO-NP with conditions to continue prohibition on some uses as per NP, and add some uses as Conditional	Apvd CS-MU-V- CO-NP as Commission recommended (2/1/2024)
C14-2021-0011 – 721 & 714 Pedernales St & 2409 Coronado St	From SF-3-NP to CS-MU-NP	To grant GR-MU- CO-NP with conditions: to limit property to LR uses, to prohibit some land uses, to make some land uses conditional	Apvd GR-MU-CO- NP with conditions as recommended by Commission (7/29/2021)
C14-2021-0179 – Govalle Twin Liquors	From GR-NP to CS- 1-CO-NP	To Grant CS-1-CO- NP with condition to prohibit Cocktail Lounge use	Apvd CS-1-CO-NP with condition to prohibit Cocktail Lounge use as Commission recommended, and also prohibit Adult- Oriented Business use
C14-2007-0259 – Govalle/ Johnston Terrace NP Vertical Mixed Use rezonings	From CS-NP, CS- CO-NP and GO-NP to CS-V-NP, CS-V- CO-NP, and GO-V- NP		Apvd 11/20/2008

RELATED CASES:

C14-70-077(RCA) – City Council approved an amendment which terminated and released the Property from a 1970 Public Restrictive Covenant that limited the maximum height of buildings, structures, and signs on the Property (11/30/2023)

Site Plan (SP-2023-0472C) – submitted November 11, 2023 and expired

Site Plan (SP-2024-0047C) – submitted February 6, 2024 and under review

ADDITIONAL STAFF COMMENTS:

Comprehensive Planning

2730 E 7TH STREET. C14-2024-0029. Govalle/Johnston Terrace NP. FLUM: Mixed Use. Project: 2706 Gonzales and 2730 E 7th Street. 3.117 acres from CS-V-NP to CS-V-DB90-NP. Existing: auto-parts sales and fast food store with drive through. Proposed: 360 multifamily units and 12,975 sq ft of general office, and demolition of existing structures is proposed. Proposal seeks Density Bonus 90 Combining District (Ordinance No. 20240229-073). Density Bonus 90 (DB90) sets affordability minimums on ownership units to 12 percent of residential units at 80 percent or less of the area's MFI, for rental units requires a minimum of 12 percent of residential units be affordable for households at or below 60 percent of the areas MFI, and additionally sets a minimum of 10 percent of residential rental units to be affordable based on the area's MFI. DB90 further allows for an increase of up to 30 ft above the base zone's height with a maximum limit of 90 feet in total height, and releases the site from some base zoning district development standards, including maximum floor area ratio.

Yes	Imagine Austin Decision Guidelines
Complete Community Measures *	
Y	Imagine Austin Growth Concept Map: Located within or adjacent to an Imagine Austin Activity Center, Imagine Austin Activity Corridor, or Imagine Austin Job Center as identified the Growth Concept Map. Names of Activity Centers/Activity Corridors/Job Centers *: <ul style="list-style-type: none"> • North adjacency to East 7th St Activity Corridor • North adjacency to Pleasant Valley Activity Corridor • 0.15 miles East of Plaza Saltillo Neighborhood Center
Y	Mobility and Public Transit *: Located within 0.25 miles of public transit stop and/or light rail station. <ul style="list-style-type: none"> • E 7th St and N Pleasant Valley RD provides multiple bus stops to the immediate south of the site
Y	Mobility and Bike/Ped Access *: Adjoins a public sidewalk, shared path, and/or bike lane. <ul style="list-style-type: none"> • Sidewalks front property to the south and east
Y	Connectivity, Good and Services, Employment *: Provides or is located within 0.50 miles to goods and services, and/or employment center.
Y	Connectivity and Food Access *: Provides or is located within 0.50 miles of a grocery store/farmers market. <ul style="list-style-type: none"> • HEB Grocery 0.2 miles to the south
	Connectivity and Education *: Located within 0.50 miles from a public school or university.
Y	Connectivity and Healthy Living *: Provides or is located within 0.50 miles from a recreation area, park or walking trail. <ul style="list-style-type: none"> • 0.2 miles to Parque Zaragoza Neighborhood Park to the west
Y	Connectivity and Health *: Provides or is located within 0.50 miles of health facility (ex: hospital, urgent care, doctor's office, drugstore clinic, and/or specialized outpatient care.) <ul style="list-style-type: none"> • Austin Regional Clinic to the south
Y	Housing Choice *: Expands the number of units and housing choice that suits a variety of household sizes, incomes, and lifestyle needs of a diverse population (ex: apartments, triplex, granny flat, live/work units, cottage homes, and townhomes) in support of Imagine Austin and the Strategic Housing Blueprint.
Y	Housing Affordability *: Provides a minimum of 10% of units for workforce housing (80% MFI or less) and/or fee in lieu for affordable housing.
Y	Mixed use *: Provides a mix of residential and non-industrial uses.
Y	Culture and Creative Economy *: Provides or is located within 0.50 miles of a cultural resource (ex: library, theater, museum, cultural center). <ul style="list-style-type: none"> • Cepeda Branch Austin Public Library 0.2 miles south-east
	Culture and Historic Preservation: Preserves or enhances a historically and/or culturally significant site.
	Creative Economy: Expands Austin's creative economy (ex: live music venue, art studio, film, digital, theater.)

Y	Workforce Development, the Economy and Education: Expands the economic base by creating permanent jobs, especially in industries that are currently not represented in a particular area or that promotes a new technology, and/or promotes educational opportunities and workforce development training.
	Industrial Land: Preserves or enhances industrial land.
Y	Not located over Edwards Aquifer Contributing Zone or Edwards Aquifer Recharge Zone
13	Number of “Yes’s”

Drainage

The developer is required to submit a pre- and post-development drainage analysis at the subdivision and site plan stage of the development process. The City’s Land Development Code and Drainage Criteria Manual require that the Applicant demonstrate through engineering analysis that the proposed development will have no identifiable adverse impact on surrounding properties.

Environmental

The site is not located over the Edwards Aquifer Recharge Zone. The site is located in the Boggy Creek Watershed of the Colorado River Basin, which is classified as an Urban Watershed by Chapter 25-8 of the City's Land Development Code. It is in the Desired Development Zone.

Zoning district impervious cover limits apply in the Urban Watershed classification.

According to floodplain maps there is no floodplain within or adjacent to the project location.

Standard landscaping and tree protection will be required in accordance with LDC 25-2 and 25-8 for all development and/or redevelopment.

At this time, site specific information is unavailable regarding vegetation, areas of steep slope, or other environmental features such as bluffs, springs, canyon rimrock, caves, sinkholes, and wetlands.

This site is required to provide on-site water quality controls (or payment in lieu of) for all development and/or redevelopment when 8,000 s.f. cumulative is exceeded, and on site control for the two-year storm.

At this time, no information has been provided as to whether this property has any preexisting approvals that preempt current water quality or Code requirements.

PARD – Planning & Design Review

Parkland dedication will be required at the time of subdivision or site plan application for new residential units, per City Code § 25-1-601, as amended. The proposed development meets the criteria for land dedication in City Code Title 25, Article 14. However, due to the changes in parkland dedication requirements mandated by Texas State House Bill 1526, there may not be sufficient investment through these requirements to fulfill the park needs of the site.

The site as-is lacks adequate access into the adjacent Parque Zaragoza due to the lack of trails and connectivity to the recreational facilities north of the creek. The development as proposed will require parkland dedication for the new residential units that will serve the surrounding neighborhood through the additional park investment. The Parks and Recreation Department (PARC) would consider a connection along Boggy Creek and across the adjacent parking area toward the pedestrian bridge to the east of the site in order to satisfy the requirement at time of permitting (whether subdivision or site plan). Such a connection would improve neighborhood connectivity – however, the new code for parkland dedication may not be able to fulfill this connection due to the changes in onsite dedication requirement, fee payment, and use of fees toward park development. As such, this site may still lack adequate access to recreational facilities without additional investment beyond parkland dedication requirements.

Should the applicant wish to discuss parkland dedication requirements in advance of site plan or subdivision applications, please contact this reviewer: thomas.rowlinson@austintexas.gov.

Site Plan

Site plans will be required for any new development other than single-family or duplex residential.

Any new development is subject to Subchapter E. Design Standards and Mixed Use. Additional comments will be made when the site plan is submitted.

Austin Transportation Department – Engineering Review

No comments as this zoning change request application does not include any proposed deviations from Transportation code or criteria.

Austin Water Utility

No comments on zoning change.

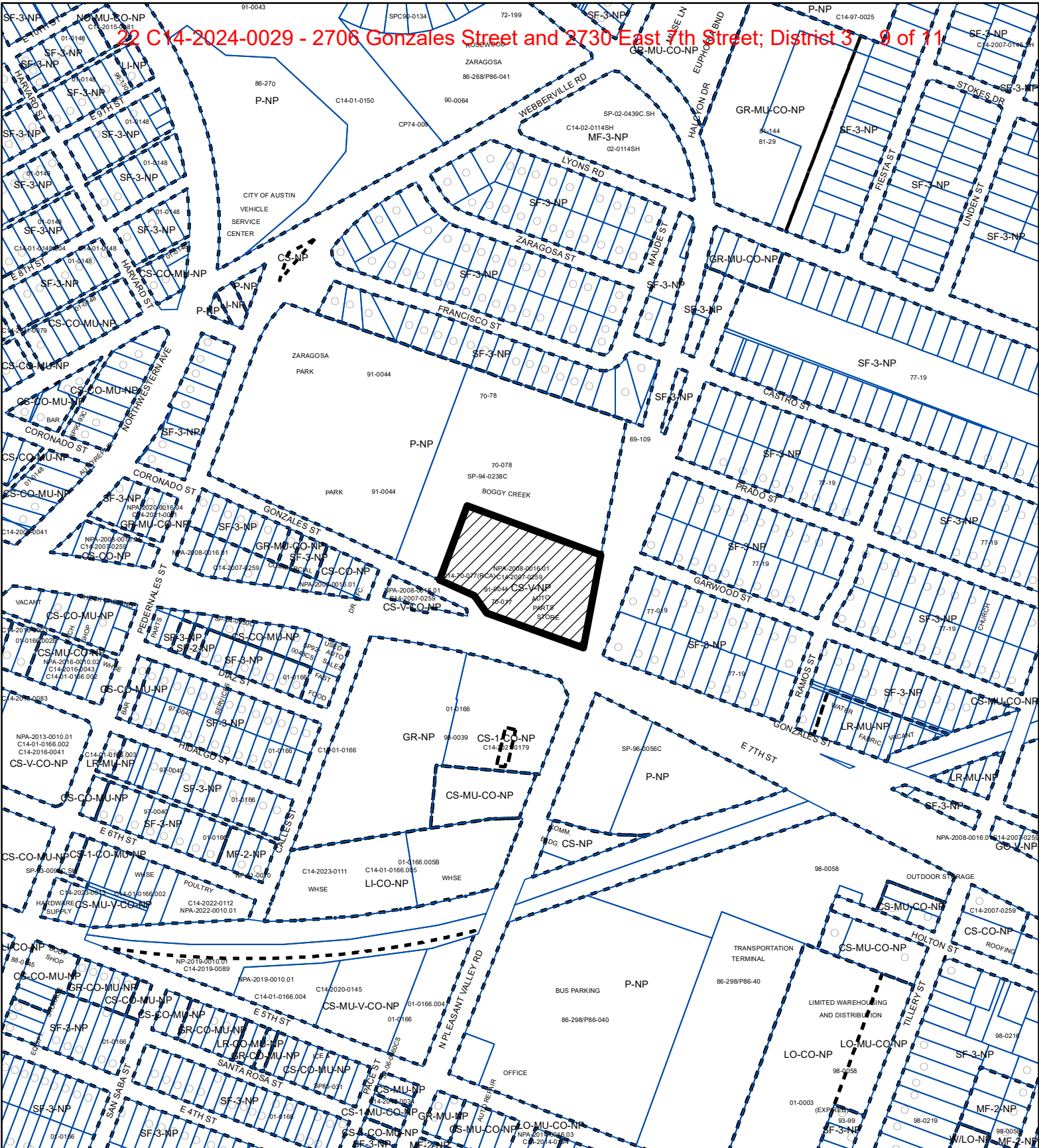
The landowner intends to serve the site with existing City of Austin water utilities.

Depending on the development plans submitted, water and or wastewater service extension requests may be required. All water and wastewater construction must be inspected by the City of Austin. For more information pertaining to the Service Extension Request process and submittal requirements contact the Austin Water SER team at ser@austintexas.gov.

INDEX OF EXHIBITS AND ATTACHMENTS TO FOLLOW:

Exhibit A: Zoning Map
Exhibit A-1: Aerial Map

Applicant's Summary Letter



ZONING

ZONING CASE#: C14-2024-0029



SUBJECT TRACT



PENDING CASE



ZONING BOUNDARY

1" = 400'

This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.





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Created: 3/13/2024

2706 Gonzales and 2730 E 7th Street



-  SUBJECT TRACT
 ZONING BOUNDARY
 PENDING CASE
 CREEK BUFFER

CASE#: C14-2024-0029
LOCATION: 2706 Gonzales St; 2730 E 7th St
SUBJECT AREA: 3.117 Acres
GRID: K21
MANAGER: Marcelle Boudreaux



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Created: 4/12/2024



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March 11, 2024

Lauren Middleton-Pratt
Director, Planning Department
City of Austin
1000 E. 11th Street, Suite 200
Austin, Texas 78702

Re: Rezoning Application for 3.117 acres located at 2706 Gonzales Street and 2730 E 7th Street, Austin, Texas 78702 ("Property")

Dear Ms. Middleton-Pratt:

We respectfully submit the enclosed zoning application for 2706 Gonzales Street and 2730 E 7th Street as representatives of the owners of the above stated Property. **The enclosed zoning application is submitted pursuant to Ord. No 20240229-073 ("DB90 Ordinance"), and as such qualifies for waived application fees and expedited processing as provided in Section 5 of the DB90 Ordinance.**

The Property is currently zoned Commercial Services-Vertical Mixed Use-Neighborhood Plan ("CS-V-NP"). On November 30, 2023, City Council approved a Restrictive Covenant Amendment recorded as Doc. No. 2024001312, Official Public Records, Travis County, Texas, that terminated and released the Property from a 1970 Public Restrictive Covenant that limited the maximum height of buildings, structures, and signs on the Property. On November 15, 2023, a site development permit application # SP-2023-0472C was submitted for the proposed development of the Property in accordance with the "VMU2" density bonus program pursuant to Ordinance No. 20221201-056 ("VMU2 Ordinance").

This zoning application requests Commercial Services-Vertical Mixed Use-Density Bonus 90-Neighborhood Plan ("CS-V-DB90-NP") zoning for the Property. The Property is located at the corner of E 7th Street and Pleasant Valley Road with direct access to Gonzales Street, E 7th Street, and Pleasant Valley Road. The Property is currently developed with an auto-parts store and related parking, and a fast food store with drive-through previously occupied the Property.

If you have any questions about the application or need additional information, please do not hesitate to contact me at your convenience. Thank you for your time and attention to this project.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'David Hartman', is written over a horizontal line.

David Hartman

cc: Joi Harden, Planning Department (via electronic delivery)
Marcelle Boudreaux, Planning Department (via electronic delivery)