



# City of Austin

## Recommendation for Action

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**File #: 24-4457, Agenda Item #: 2.**

**5/2/2024**

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### **Posting Language**

Authorize negotiation and execution of all necessary agreements and instruments with DMA Development Company, LLC, or other qualified applicant, to develop affordable housing on approximately 5.5 acres of land located at or near 6909 Ryan Drive, Austin, Texas, 78757.

### **Lead Department**

Austin Housing Finance Corporation.

### **Fiscal Note**

This item has no fiscal impact.

### **Prior Council Action:**

April 7, 2022 - City of Austin City Council (Council) authorized negotiation and execution of a legal services agreement with Steptoe & Johnson for legal services related to negotiation of a master development agreement and associated real estate documents for the property located at 6909 Ryan Drive, Austin, Texas 78757 in an amount not to exceed \$150,000.

August 26, 2021 - Council authorized negotiation and execution of an exclusive negotiation agreement with 3423 Holdings, LLC for terms governing a master developer contract for the redevelopment of 6909 Ryan Drive, known as the Ryan Drive Site.

November 6, 2018 - city voters approved the issuance of \$250 million in General Obligation Bonds to fund activities that increase the supply of affordable housing, \$100 million of which was prioritized for the acquisition of real property.

November 1, 2018 - Council approved a resolution directing the City Manager to issue a Request for Proposals (RFP) for the redevelopment of a City-owned property located at 6909 Ryan Drive, Austin, Texas 78757.

### **For More Information:**

Mandy DeMayo, Treasurer, Austin Housing Finance Corporation, 512-974-1091; and Angela Means, Interim Deputy Director, Housing Department, 512-974-1534.

### **Council Committee, Boards and Commission Action:**

July 20, 2023 - Austin Housing Finance Corporation (AHFC) authorized the negotiation and execution of all documents and instruments necessary or desirable for AHFC to acquire the approximately 5.5 acre tract of land at or near 6909 Ryan Drive, Austin, Texas 78757 from the City of Austin, Texas (City) in an amount not to exceed \$3,000,000, including closing costs.

October 13, 2022 - AHFC approved the resolution authorizing the formation of the AHFC Ryan Drive Non-Profit Corporation, an affiliate entity of AHFC.

**Additional Backup Information:**

AHFC purchased 6909 Ryan Drive in 2023 from the City using proceeds from General Obligation Bonds approved by city residents in 2018. The property is an approximately 5.5-acre site located in the Crestview neighborhood of Central Austin in District 7. Austin Energy purchased the property in 1997 for operations and storage. Austin Energy completed demolition of existing buildings and site cleanup in summer 2023. This process included participating in the Texas Commission on Environmental Quality's Voluntary Cleanup program, which the property subsequently received a Certificate of Completion.

AHFC conducted a public engagement between October to December 2023 to identify community priorities and sentiments, building upon the significant community engagement work done by the City's Economic Development Department's during the City's prior solicitation. Through this process, it was determined that the community remained committed to prioritizing affordable housing, park space, and connectivity to transit.

On February 21, 2024, AHFC released a Request For Qualifications (RFQ) solicitation to develop, own, and operate a proposed approximately 300-unit multifamily apartment at 6909 Ryan Drive, Austin, Texas 78757.

AHFC assembled a panel comprised of City staff to review and score the applications. The panel reviewed applicant qualifications, financial capacity, and sample work following the scoring criteria outlined in the RFQ. The top three scoring applicants were invited to participate in an interview to share more about their qualifications. Interviews were held on March 29, 2024. The final applicant scores, recorded interviews, and redacted applications were released on April 1, 2024, for Public Evaluation. The Public Evaluation period closed on April 14, 2024. The public was invited to review the applications and watch the interviews of the respondents before ultimately voting for their preferred development partner via survey.

The AHFC Executive Team recommends that the AHFC Board of Directors (Board) consider awarding the development opportunity to DMA Development Company, LLC.

Following the Board award of the 6909 Ryan Drive affordable housing development opportunity, AHFC will enter an exclusive negotiation period with the selected applicant with the intent of finalizing and executing agreements this fall to develop the property.

The 6909 Ryan Drive RFQ materials, including applications and community engagement, can be found here: <https://www.austintexas.gov/page/request-proposals>.