

INFRASTRUCTURE AND TRANSPORTATION**1 – Council 1st reading action:**

Designate CIP funds to infrastructure improvement projects within and connecting to the TOD Districts (incorporated from the Planning Commission recommendation).

(Drainage issues are addressed here under this item; water/wastewater and transportation items are addressed further below.)

Staff recommendation:

Proceed with short term drainage improvements in the TODs as recommended by the Watershed Protection and Development Review Department and update CIP plans accordingly.

Recommendation details:

Watershed Protection and Development Review Department (WPDR)

Assumptions:

- Development in TODs will comply with current Code
- Water quality and erosion: Controls will be required for redeveloped areas (e.g. on-site controls with required use of green infrastructure)
- Flood Control: Sites may have no adverse impact to other properties; on-site detention is typically required of redevelopment for increases in flows associated with increases in impervious cover, changes in drainage patterns or capacities of the existing downstream systems.

Short and long term options:

The primary challenge for urban infill projects is inadequate downstream capacity. Two options have been developed to address watershed issues in and around the TOD areas:

Short term option (Recommended by staff)

Staff recommends making strategic improvements to address non-existent storm drains, relocations, and inlet construction. This option is more feasible than the long term option below from a funding and technical standpoint.

Estimated cost: \$20 million (MLK \$7 million to provide major storm drain infrastructure to Boggy Creek; Plaza Saltillo & Lamar/Justin \$13 million for opportunity based improvements such as public-private partnerships for addressing existing problem areas, relocations, and inlet construction).

Long term option

A longer term option is to provide infrastructure to safely pass flow to receiving waters (creek or lake).

Estimated cost: \$70-100 million [MLK \$7 million to upgrade storm drain system on-site and downstream; Plaza Saltillo \$20 to \$25 million to upgrade storm drain system on-site and downstream; Lamar Blvd/Justin Lane \$45 to \$65 million (Shoal Creek Watershed: construct a major storm drain downstream to avoid adverse impacts to Hancock Branch, \$30 to \$40 million; Waller Creek Watershed: make storm drain system upgrades and improve off-site detention, \$15 to \$25 million)].

Funding options

- Drainage fee
 - Include in FY2010 Cost of Service Study
- Future General Obligation (GO) bond funding
- Tax Increment Finance (TIF)
- Modified Regional Stormwater Management Program (RSMP) for the MLK TOD

2 – Council 1st reading action:

Develop the same utility financing structure for TODs as the Austin Water Utility is doing in the University Neighborhood Overlay (UNO) area.

Staff recommendation:

Continue evaluation of water and wastewater needs in the TODs and update CIP plans to include improvements recommended by the Austin Water Utility.

Recommendation details:

Funding of \$15M for water upgrades and \$15M for wastewater upgrades has been included in the most recent 10 Year CIP Spending Plan. For Years 2010 thru 2012, \$1M has been allocated for each and for Years 2013 thru 2018 an annual allocation of \$2M was made for each. Additional background information is provided below.

The Austin Water Utility (AWU) has made a preliminary review of the three Transit Oriented Districts. It is the Utility's understanding that the area will be subject to new redevelopment with commercial and high density residential developments.

Water demand for both domestic use as well as fire flow to meet the current fire code will be significantly increased for these areas. All of these areas are located in a part of the City with aged infrastructure that is nearing the end of its life cycle. The Utility's preliminary review attempts to quantify the amount of pipe that may be subject to upgrading and/or relocation based on pipe material, age and diameter.

The water pipe quantities listed below are based on an inventory of all pipes 6-inches and smaller that are not ductile iron or PVC. Ductile iron and PVC would suggest that the line would be relatively new therefore not at the end of its life cycle. A condition assessment will need to be made for water lines within each of the TOD areas. Based upon those findings, the Utility will recommend the necessary improvements. These improvements can be implemented with any proposed construction within the TODs.

Wastewater pipe quantities are based on tabulation of all lines that are not PVC. PVC became the material of choice in the late 1970s, and generally it can be assumed that the smaller collection system lines that are not PVC were built before that time. Many of the lines in the TOD areas were built more than 50 years ago of materials that have deteriorated over time. As redevelopment projects are proposed, the specific condition of affected pipes will be evaluated using TV data to determine which pipes have considerable remaining life, and which do not.

No survey has been done to date to determine the depth of any lines within the TOD boundaries. In the event of street reconstruction, any line within the TOD may be subject to relocation if it is found to be too shallow.

Preliminary estimate of pipe replacement/upgrade for the three TODs:

| | <u>Water</u> | <u>Wastewater</u> |
|--------------------|--------------|-------------------|
| Lamar TOD | 3.5 miles | 3.2 miles |
| Plaza Saltillo TOD | 3.5 miles | 4.2 miles |
| MLK TOD | 1 mile | 3.0 miles |

Preliminary engineering has begun in the Plaza Saltillo TOD. Needs for all TODs will be refined and cost estimates developed as development projects proceed.

3 – Council 1st reading action:

Direct staff to investigate methods of funding the proposed capital improvements to the Lamar Blvd./Airport Blvd. intersection (incorporated from the Planning Commission recommendation)

Staff recommendation:

Implement short term improvements to the intersection and evaluate funding and options for mid and long term improvements.

Recommendation details:

This item was included in first reading action because the Lamar/Justin Station Area Plan strongly recommends that the Lamar/Airport intersection be improved so that Lamar and Airport Blvds. do not continue to divide the TOD. The intersection was brought up repeatedly at Station Area Plan meetings as a problem area due to the fact that it does not safely and efficiently accommodate for pedestrian and bicycle movement. Capital Metro has issues with the intersection because the design does not enable their northbound Lamar buses to stop just north of the intersection because of fast moving car traffic.

Short-term improvements identified in the Lamar/Justin Station Area Plan include: new sidewalks, pedestrian activated signals, safety lighting, signage, and island extensions/relocation. These improvements represent relatively low-cost, minimal disruption changes that can be made in a relatively short timeframe to improve safety and accessibility before or soon after commuter service begins. Funding is available in the Public Works operating budget for some or all of these improvements. Capital Metro may also be available to cost participate in making these improvements.

Mid-term improvements to the intersection would involve a realignment of the intersection to better accommodate pedestrian and bicycle movement and bus operations. Long-term improvements involve creating potential alternative travel routes to better accommodate anticipated future traffic flow through the area (Transportation planning and engineering work completed at the end of 2007 by a Capital Metro consultant can be used as a baseline. This work presented three long-term scenarios for re-engineering the intersection and the streets around the intersection to improve overall traffic flow, pedestrian and bike access, and transit movements.).

Recommended funding source:

- Consultant study – future budget allocation FY 2009-10
- Improvements – Tax Increment Financing (TIF); if TIF funding is not an option, the most likely source of funds would come from future transportation bond funding.

4 – Council 1st reading action:

Direct staff to come back on second reading with an analysis of and plan for traffic mitigation on the through streets of Morrow, Easy Wind and Justin Lane.

Staff recommendation:

Complete Crestview traffic calming study, obtain neighborhood support for study, implement the study's traffic calming recommendations, and apply traffic calming to any new connector streets in the TOD.

Recommendation details:

This item was included in first reading action because of concerns raised by residents in the Crestview and Brentwood neighborhoods about potential future vehicular street connections in the TOD. The Station Area Plan indicates conceptually where possible street connections could be made in the future to facilitate traffic flow by providing more travel routes. These connections would most likely not be discussed until redevelopment of key parcels occurs.

Staff recommends incorporating traffic calming on non-arterial roadways if and when new vehicular street connections in the TOD District are created and on other highly impacted streets as is deemed appropriate by the Public Works Department (PW). This would help to ensure that new street connections are designed for local access and do not serve regional cut-through traffic.

There is a current Traffic Calming Study being conducted by PW in the Crestview Neighborhood that includes all streets in the Crestview Neighborhood, including Morrow Street and Justin Lane. There is potential for Justin Lane to be eligible for traffic calming if reclassified from an arterial to a collector, which was requested by the Crestview and Brentwood neighborhood Associations. The reclassification outcome is pending. The Traffic Calming Plan is currently being developed by the working group. Completion of the Plan is anticipated by Fall 2008. If the Plan is approved by a neighborhood vote the implementation could follow soon after.

The plan will include traffic calming devices such as speed cushions, traffic circles, and median islands. If Justin Lane is reclassified from an arterial to collector and traffic calming for this street is included in the Study, speed cushions will be the only allowable traffic calming method since Justin Lane is a primary Fire/EMS response route.

5 – Council 1st reading action:

Direct staff to examine methods of improving overall east-west movement across Lamar Blvd. between Koenig Lane and Anderson Lane with a goal of dispersing traffic load (incorporated from the Planning Commission recommendation).

Staff recommendation:

Staff recommends 1) initiating a corridor study along Anderson Lane to evaluate ways to improve access, capacity, and pedestrian activity and 2) evaluating westbound access on Morrow across Lamar Blvd. (maintaining the left turn prohibition from northbound Lamar Blvd. to Morrow), with the results presented to appropriate boards and commissions for review and direction.

Recommendation details:

This item was included in first reading action due to concerns raised at the City Council and Planning Commission public hearings about restricted east-west traffic flow in the area, primarily across Lamar Blvd., and concerns over neighborhood cut-through traffic. The Highland Neighborhood communicated their discontent with the current situation along Morrow Street, an east-west street at the northern end of the TOD, connecting the Crestview and Highland Neighborhoods across Lamar. Several years ago, roadway infrastructure was put in place on the east side of Lamar Blvd. at Morrow that restricts westbound Morrow drivers from crossing Lamar Blvd. (i.e. all traffic must turn right on Lamar); the goal was to reduce traffic on Morrow in the Crestview Neighborhood. The Highland Neighborhood has been impacted by this action and requested to the Planning Commission and City Council that access be re-opened (note: the Station Area Plan did not address this topic as it was not an issue that was broad up by a broad base of meeting attendees).

In addition, residents' concerns about challenged east-west traffic flow in the area were raised in reference to poor access from Lamar Blvd. to the Anderson Lane/Hwy 183 area. There is a desire to have access to these east-west thoroughfares improved so that there is less temptation to cut through neighborhood streets (see area map in the last section of this report, "Supplemental Information").

EXISTING CONDITIONS:

Apart from Anderson and Koenig, there are no direct east-west arterial connections between IH-35 and Burnet Road. The CAMPO and AMATP plans call for Anderson to be upgraded from a 4 lane divided arterial to a six-lane divided arterial in 2030 and for Koenig Ln. to have a center turn lane (i.e. a 4 lane divided arterial from Mopac to Lamar in place of the existing 4 lane undivided road); no funds are currently identified for these upgrades.

In the immediate Lamar/Justin TOD area, Justin Lane is currently classified as an arterial street, it has however single family residences fronting the majority of both sides of the street, and also separates the two neighborhoods (Crestview and Brentwood) on the north and south sides. A Public Works traffic calming study in the Crestview Neighborhood is currently under way. Justin Lane may be reclassified to a collector street from an arterial and be eligible for traffic calming (this reclassification was requested by the Crestview and Brentwood Neighborhood Associations).

The connection to the east-west street called Morrow from northbound Lamar and from Morrow east of Lamar is restricted.

STAFF RECOMMENDATIONS:

Based on current conditions and past study, staff has the following recommendations regarding appropriate approaches to improving overall east-west mobility.

In order to effectively disperse traffic volumes, staff recommends that approximately four to five east-west collector streets be available. However, there are limited opportunities to do this in the Lamar/Justin area, especially due to the presence of the rail line, discontinuous and narrow streets, the presence of on-street parking, and existing single family homes lining all east-west non-arterial streets. Staff recognizes there would be impacts associated with such connections because traffic would be redirected through existing single family neighborhoods. If such connections were created, these impacts would need to be addressed with appropriate traffic mitigation techniques.

East-west flow could also be enhanced by adding capacity on arterials where possible and appropriate, which is one of the goals of the long range transportation plans. There is already a need for a solution to current travel demand in this area and if not addressed, could result in higher traffic volumes on neighborhood streets.

1) The most feasible candidate project for additional arterial capacity is Anderson Lane.

A Corridor Study could be conducted to:

- Improve northbound access from Lamar (excess right of way presents an opportunity;
- Investigate short-to-medium term ways to add capacity (e.g. access controls through joint-use access and limiting driveways); and
- Identify current right-of-way and requirements for new capacity and streetscape improvements (e.g. additional travel lanes, sidewalks, bike lanes, raised median, landscaping).

Short or medium-term opportunities include:

- Reducing the number of curb cuts on Anderson Lane which can disrupt traffic flow.
- Adding a raised median to reduce conflicts caused by left turns.
- Working with TxDOT to improve northbound access from Lamar Blvd. to Anderson/183 which is currently circuitous and ambiguous.

In the long-term, additional capacity could be added to Anderson Lane as part of a major expansion and streetscape improvement project. A project of this type could both add capacity and improve the pedestrian and bicycle environment but would likely require additional right-of-way. The estimated cost for such a corridor study ranges from \$200,000 to \$400,000.

Potential funding for a corridor study and future improvements:

- Consultant study: Future budget allocation FY 2009-10
- Improvements: Future transportation bond funding

- 2) In response to concerns raised by the Highland Neighborhood at the City Council public hearing regarding restricted westbound access across Lamar Blvd., NPZD and PW staff could engage in a process (separate from the current Crestview Traffic Calming Study) to evaluate allowing westbound access from the Highland Neighborhood (but retain the left turn prohibition from northbound Lamar Blvd. since that is where the majority of the traffic would come from). Stakeholders from both the Crestview and Highland Neighborhoods would be invited to participate in the evaluation. The results of the evaluation would go through board and commission review to present results and receive further direction.

6 – Council 1st reading action:

Come up with interim implementation plan prior to 2nd reading regarding ROW acquisition for the Lance Armstrong Bikeway and implementation of the last paragraph of page 45 (of the Plaza Saltillo Station Area Plan):

“The Lance Armstrong Bikeway has been designated along E. 4th and 5th Streets through the Plaza Saltillo TOD. The current improvement consists of signage. However, upon redevelopment of the land owned by Capital Metro, a more significant improvement is envisioned. The potential design could include a tree-lined dedicated space for the Lance Armstrong Bikeway that would parallel 4th Street.”

Staff recommendation:

Maintain the current on-street alignment of the LAB until the rail line is relocated or plans for relocation have been developed. Then identify the project for bicycle bond funding and implement the project in coordination with rail relocation plans.

Recommendation details:

The LAB is currently an on-street, signed bike route (no lane striping). In place of the existing bike route, the Saltillo District Redevelopment Master Plan, done by the ROMA Design Group for the Capital Metro Transit Authority and the City of Austin, depicts the LAB as a separated bikeway, traversing Capital Metro's property and connecting to the platform area. That concept was carried forward in the Plaza Saltillo SAP.

This project is currently not identified as a capital improvement project by Public Works). The total project cost is estimated at \$600,000, which includes construction, project management fees, and contingencies (cost assumes that the land is provided by CMTA at no cost). Note that any change in ownership or easement on CMTA's Saltillo property must be approved by the CMTA Board of Directors and/or Federal Transit Administration (FTA). Construction of the LAB should be coordinated with the relocation of the CMTA rail line to minimize cost and ensure that one project does not negatively affect the feasibility of the other.

Recommended funding source:

This item is recommended to be funded through future transportation bond funding (bicycle specific).

7 – Council 1st reading action:

Direct staff to study the potential of a parking benefit district where on-street parking fees are used to fund future capital improvements to the intersection of Airport and Lamar Blvds. (incorporated from the Planning Commission recommendation).

Staff recommendation:

Under existing conditions, a parking benefit district at this location is not deemed a viable activity by staff.

Recommendation details:

NPZD staff does not believe that a parking benefit district is a viable option near the intersection of Lamar and Airport Blvds. Apart from the downtown area, the only public parking district that has been established in Austin is in the West Campus area. The situation and context are very different than in the Lamar/Airport area. In West Campus, the University, in addition to the large amount of retail on Guadalupe, is a major activity center that draws a large number of drivers needing parking. On-street parking is available and prior to the establishment of the parking district, was well used and often-times abused in the sense that people would park for several hours, limiting turnover of parking spaces. In order to better serve the area's retail and service establishments with on-street parking, the business community supported the creation of the parking district, which is not necessarily always the case when parking districts are established.

Unlike the West Campus area, the Lamar/Justin area currently has no on-street parking on Lamar or Airport Blvds. and limited right-of-way makes the provision of on-street parking unlikely since a travel lane would need to be removed or additional right-of-way acquired. Apart from these two roads, the new streets around the transit stop will most likely be in private ownership, which makes opportunities for the generation of public monies from on-street parking extremely limited. In addition, there is currently an abundance of off-street parking serving area businesses in the Lamar/Justin Station Area, unlike the West Campus area where there is an existing shortage of off-street parking. So there are many free parking options provided by private businesses (i.e there is not a demonstrated demand for on-street paid parking).

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| PARKS |
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8 – Council 1st reading action:

Come up with interim implementation plan prior to 2nd reading to:

- Identify specific parks acquisition sites
- Not up-zone the proposed park acquisition sites
- Prepare a park/paseo/trail acquisition plan for Council approval

Consider the dedication of public open space on the Austin Energy site (910 Justin Lane) and that other parkland be provided in and/or near the TOD District through parkland dedication funds (incorporated from the Planning Commission recommendation).

Staff recommendation:

In accordance with the park locations identified in each of the Station Area Plans, upon redevelopment, require an on-site provision of park space equal to a minimum of 50% of the required amount of parkland dedication. In addition, PARD staff shall evaluate other opportunities for parks and trails in the TODs as subdivision and site plan applications are submitted. Fees-in-lieu collected from projects within a TOD shall be redirected back into that Station Area vicinity.

Recommendation details:

The Parks and Recreation Department proposes the following to address the Council action regarding parkland in TODs:

GENERAL APPROACH FOR SITING AND FUNDING OF PUBLIC PARKSPACE IN TODS*Acquisition of Parkland*

The Parks and Recreation Department (PARD) shall require on-site dedication of parkland on specific properties, as identified in the Station Area Plans, upon redevelopment of these properties (i.e. during subdivision or site plan review). This allows for the City to acquire parkland on key properties within the TODs without having to purchase the land, which is at a premium because of its location within the urban core and its proximity to a rail stop.

Since the amount of dedication is estimated to be very large in proportion to overall site size, and given that another priority of TOD is to leverage the City's investment in transit by locating many residences, shops, and jobs around rail stops, the required on-site dedication of land for parkspace shall be a minimum of 50% of the total requirement. The remainder of the parkland dedication requirement may be met by paying a fee-in-lieu. These funds may go towards funding the construction of the park facility.

Below are the properties highlighted in each of the Station Area Plans as ideal for on-site parkland. The approximate amount of on-site parkland is an estimate and is equal to 50% of the required dedication as explained above (the overall required dedication was derived by assuming development at the maximum base density of 45 units per acre):

Plaza Saltillo Station Area

- *Capital Metro site:* estimate: 2 acres of on-site parkland (~10 acre site). Parkland dedication could go towards implementing:
 - *Paseo Parks:* existing city Right-Of-Way (ROW); not part of Capital Metro property. The ROW must be vacated so if Capital Metro agrees, it could count towards meeting their parkland dedication requirement.
 - *Multi-use trail (inclusive of improved Lance Armstrong Bikeway concept):* Parkland dedication (land and fees) could be utilized to implement this project if it is a pedestrian/bicycle project (i.e. serves multiple users).

Lamar Blvd./Justin Lane Station Area

- *AE property:* estimate: 1 acre of on-site parkland (~5.6 acre site)
- *Highland Village property:* estimate: 2.1 acres of on-site parkland (~11 acre site)

MLK Jr. Blvd. Station Area

- *Chestnut Commons Phase III:* estimate: 3 acres of on-site parkland (~16 acre site)
- *Redeemer Presbyterian property:* estimate: 1 acre of on-site parkland (~5 acre site, not including the church campus)

Additional properties in the TODs that develop with a residential component will have a parkland dedication requirement and may provide public parkspace on-site. The Parks and Recreation Department will approve parkland dedication on a case-by-case basis. Fees-in-lieu generated from these projects will be directed into the Station Area vicinity to fund new parks or make improvements to existing parks.

Funding options

- Existing bond funds have been allocated to parks projects. PARD does not have any Bond funding identified for TODs, with the possible exception of pocket parks.
- Fees-in-lieu generated in the TODs will be directed into the general station area vicinity to acquire land for park facilities and/or help fund construction of new, and/or improvements to existing, park facilities.
- PARD grant coordinator – Potential grant sources include Texas Parks and Wildlife, the Economic Development Agency, and TxDOT enhancement funds.

ADDITIONAL INFORMATION:

- In response to the Council 1st reading action of not upzoning land recommended for a future park facility in a Station Area Plan, the Law Department has expressed concern about the potentially arbitrary and capricious nature of such action. Since PARD has committed to accepting the on-site dedication of parkland for those properties identified in the Station Area Plans, park space shall be provided upon redevelopment.
- PARD has the ability to require that a development provide a certain type of parkland dedication, ideally consistent with approved plans including station area plans and the Long-Range Plan for Land, Facilities, and Programs.

- PARD will indicate in the update of the City's Long Range Plan that acquiring land in TODs, consistent with Station Area Plans, is a priority, as is funding the park projects identified in the plans.
- In the update of the Long-Range Plan, PARD has included standards for pocket parks for neighborhoods and high density areas such as TODs and Vertical Mixed Use properties so that urban-sized parks are included in PARD's program.
- *Lamar Blvd./Justin Lane TOD*: The Watershed Protection and Development Review Department (WPDR) owns a 7.3 acre site just outside the TOD boundaries to the east (Highland Neighborhood). The site is currently leased and occupied with a few baseball fields. WPDR plans to locate a water quality treatment facility on the site and add a public open space element for the community.

AFFORDABLE HOUSING**9 – Council 1st reading action:**

Come up with interim implementation plan prior to 2nd reading regarding financial subsidies on housing; and

Establish a clear and firm plan to help developers achieve the 25% affordability goal in the TOD Ordinance using the tools presented by the affordable housing consultant, Diana McIver and Associates (DMA). (Incorporated from the Planning Commission recommendation)

Staff recommendation:

Support the following strategies to work toward achieving the TOD affordable housing goal: development bonuses, gap financing with General Obligation Bonds and other sources, tax credit developments, use of fee-in-lieu funds, and a catalyst project on city-owned land.

Recommendation details:

Diana McIver and Associates has prepared a summary of the financial impact of providing affordable units in the TOD areas, including estimated per-unit subsidies and the cost associated with a “buydown” of additional units in a development receiving a density bonus or height bonus. DMA estimates that the “buydown” cost is \$25,000 per unit per 10% increment, and projects a subsidy of \$127,623 per “buydown” unit in the Saltillo and MLK TODs.

Based on this analysis, DMA recommends that the City focus its available housing dollars on subsidizing Tax Credit developments, where the projected subsidy is lower (\$36,750 - \$56,800 per unit in Saltillo and MLK) and the affordability levels attained are deeper.

In addition, staff supports the following recommendations:

1. *Encourage affordability via development bonuses.*
Development bonuses are also an appropriate tool for encouraging the development of affordable units in TOD areas, while also encouraging transit-supporting density levels. Staff recommends development bonuses with affordability requirements for density and height, as described further below.
2. *Provide gap financing with General Obligation Bonds and other sources.*
DMA has indicated that affordable housing developments located in TOD areas will require City subsidies, including those developments which utilize other public subsidies. Staff has identified potential sources of gap financing that may be available to applicants on a case-by-case basis.
3. *Utilize fee-in-lieu funds to build affordable housing.*
Any fee-in-lieu funds paid to fulfill an affordable housing requirement in a TOD development will be utilized for the financing or production of affordable units located within or near the TOD area.

4. *Facilitate Tax Credit developments.*

DMA's analysis indicates Low Income Housing Tax Credit developments would require the lowest level of City subsidy per unit. The City of Austin can provide gap financing for Tax Credit developments on a case-by-case basis.

5. *Develop a catalyst project on City-owned property.*

DMA has recommended that the City of Austin evaluate the potential for a housing development on City-owned land within one of the TOD areas. Two properties have been identified as potential sites for such a "catalyst" project, and these sites are discussed below in the "Catalyst Project" section in more detail.

10 – Council 1st reading action:

Consider amending the scoring process for the allocation of affordable housing General Obligation (G.O.) bond funds so that projects in TOD Districts are prioritized (incorporated from the Planning Commission recommendation).

Staff recommendation:

Staff will amend the G.O. bond fund scoring process to give additional points to projects in TODs.

Recommendation details:

The Community Development Commission (CDC), which the City Council has designated as the policy oversight board for the G.O. Bonds for housing, conducted a public hearing on May 13, 2008 regarding the use of G.O. Bonds in TOD areas. The CDC recommends amending the scoring criteria to give extra points to projects located along a VMU corridor or in a TOD area. The CDC did not recommend setting aside funding solely for TOD affordable housing developments. NHCD staff anticipates making this amendment to the G.O. Bond scoring process in summer 2008.

Council Members Cole and Dunkerley requested additional information regarding the allocated amount of G.O. Bond funding as well as the S.M.A.R.T. Housing Capital Improvement Fund. Currently, of the \$55 million in G.O. Bond housing funds, a total of \$10.8 million has been allocated to 12 projects of 344 affordable units, including 273 units serving households with incomes at or below 50% Median Family Income (MFI), with an average per-unit subsidy of \$31,347. Rental projects will serve households with incomes from 0% - 50% MFI, including homeless individuals. Homeownership projects will serve households with incomes at or below 80% MFI and at or below 65% MFI.

An additional available funding source is the S.M.A.R.T. Housing Capital Improvement Fund (CIP). The City dedicates to this fund 40 percent of all incremental property tax revenues derived from developments that are built on property located in the Desired Development Zone and were not on the Travis Central Appraisal District property tax rolls on June 1, 1997. This funding source is used to supplement the development of affordable single- and multi-family housing. In the next fiscal year, this fund will yield an estimated \$217,919.

11 – Council 1st reading action:

Do not allow a fee-in-lieu (for affordable housing) on residential projects without a Council waiver.

Staff recommendation:

Amend TOD regulations so that only projects meeting defined criteria may seek fee-in-lieu administratively; for all other projects a fee in-lieu of providing affordable housing on-site requires City Council approval.

Recommendation details:

In the development bonus section of each Station Area Regulating Plan, amend the text under the “Fee-in-Lieu” heading to read as follows:

For a development containing a residential use and meeting at least one of the following conditions, a developer may pay into the Housing Assistance Fund a fee-in-lieu payment instead of providing on-site housing.

- a) Small Projects: The development will contain no more than 20 residential units.
- b) Recipient Project Identified: A housing development project eligible for use of the Housing Assistance Fund and located at a TOD has submitted an application for General Obligation Bonds to the Neighborhood Housing and Community Development Department (NHCD) or has notified NHCD the Neighborhood Housing and Community Development Department of an application for Low Income Housing Tax Credits or another public financing source.
- c) Limited Bonus: The development will require less than an 8’ increase in building height and/or less than a 20% increase in the number of permitted units.
- d) Small Lot: The proposed development is located on a parcel with area of less than 10,000 square feet.

For a development containing a residential use and not meeting at least one of the conditions listed above, a developer may demonstrate a compelling reason to not provide housing on-site, and subject to the approval of the City Council, may pay into the Housing Assistance Fund a fee-in-lieu payment.

12 – Council 1st reading action (MLK & Lamar/Justin):

Prioritize fee-in-lieu funds generated (for affordable housing) from a development bonus in the TOD District for future expenditure within that TOD (incorporated from the Planning Commission recommendation).

Staff recommendation:

Amend the draft TOD regulations of all three Station Area Plans to focus affordable housing fee-in-lieu funds back into the Station Areas.

(Staff believes the intent of the Planning Commission was to apply this to all TODs even though the recommendation was made only for the MLK and Lamar/Justin TODs).

Recommendation details:

In the development bonus section of each Station Area Regulating Plan, amend the text under the “Fee-in-Lieu” heading to add the following text:

The Director of the NHCD may allocate money from the Housing Assistance Fund collected for the financing or production of affordable units located within the TOD area or in an area within ½ mile of the TOD area, and that meets the following criteria:

- (a) Owner-occupied units are reserved as affordable for a period of not less than 99 years for a family whose gross income does not exceed 80% of the median family income for the Annual Median Family Income; or
- (b) Renter-occupied units are reserved as affordable for a period of not less than 40 years for a family whose gross income does not exceed 60% of the median family income for the Annual Median Family Income.

13 – Council 1st reading action:

In order for a project that wishes to take advantage of a development bonus to be approved for the fee-in-lieu option, the Director of the Neighborhood Housing and Community Development Department should work with the Community Development Commission to determine if a fee-in-lieu should be approved.
(incorporated from the Planning Commission recommendation)

Staff recommendation:

Staff recommends amending TOD regulations so that only projects meeting defined criteria may seek fee-in-lieu administratively; for all other projects a fee in-lieu of providing affordable housing on site requires City Council approval (see recommendation for Item 11).

14 – Council 1st reading action (MLK):

Allow for alternative compliance to the provision of affordable housing required in exchange for a development bonus (incorporated from the Planning Commission recommendation).

Staff recommendation:

Amend the draft TOD regulations of the MLK Station Area Plan to allow for alternative compliance to a development bonus affordable housing requirement.

Recommendation details:

Staff recommends the following process for processing of requests for alternative compliance:

1. Property owner submits request to NHCD staff;
2. NHCD staff reviews request in accordance with alternative compliance guidelines (described below);
3. Staff approves or denies request for alternative compliance.

Density bonus alternative compliance guidelines:

The owner of a property that is developed utilizing a density bonus waiver may receive full or partial credit for the fulfillment of the affordability requirement, in proportion to the achieved percentage of the standards described below. Prior to receipt of a

development bonus, the owner must provide to the Department of Neighborhood Housing and Community Development verifiable documentation that a development under the same or affiliated ownership located within the boundaries of the TOD District:

- Has not utilized the density bonus standards exemptions provided in the Regulating Plan; and
- Has fully or partially fulfilled the affordable unit requirements for a density bonus. As an alternative to a contribution to the Housing Assistance Fund and subject to the approval of the Director of the NHCD, the owner may provide verifiable documentation of a contribution to a certified Community Housing Development Organization (CHDO) for the sole purpose of development or rehabilitation of housing units meeting the affordable unit requirements, within or external to the TOD district. The required square footage dedicated to affordable housing units may be reduced by one square foot for each contribution to a certified CHDO in accordance with the fee-in-lieu amount applicable to a density bonus; or
- Has fully or partially fulfilled the fee-in-lieu requirements for a density bonus. As an alternative to a contribution to the Housing Assistance Fund and subject to the approval of the Director of the NHCD, the owner may provide verifiable documentation of a contribution to a certified Community Housing Development Organization (CHDO) for the sole purpose of development or rehabilitation of housing units meeting the affordable unit requirements, within or external to the TOD district.
- An owner seeking alternative compliance must submit a project proposal for the proposed development or rehabilitation of housing units development must be submitted to NHCD for approval. The owner must demonstrate that the CHDO has completed the units within 18 months of receipt of the contribution.
- The development for which a density bonus is sought must be initiated (i.e. development application submitted) prior to January 1, 2009

15 – Council 1st reading action:

Explore the impact that decreased transportation costs have on the budget for housing (incorporated from the Planning Commission recommendation).

Staff recommendation:

There is no action required since the SMART Housing Program already allows a higher percentage of household income to be spent on housing if homebuyer counseling is received.

Recommendation details:

While no specific data exists describing the potential impact that decreased transportation costs associated with the Capital Metrorail line would have on TOD households' housing budgets, national data does demonstrate a positive impact. According to the Center for Transit Oriented Development, the average American family spends 19% of its total household budget on transportation costs (or up to 25% in an "auto-dependent" neighborhood). However, a household in a "transit rich" neighborhood could have transportation costs as low as 9% of its total budget.

In a "transit rich" TOD area, those households that are able to reduce transportation costs (e.g. by owning fewer or no cars) could afford to dedicate a somewhat higher share of

income to housing costs. A recent amendment to S.M.A.R.T. Housing policy allows income-qualified households to spend up to 35% of household income on a mortgage (if the household receives City-approved homebuyer counseling), and this policy change is consistent with the goal of providing broader options for households in TOD areas. By including transit-oriented standards in S.M.A.R.T. Housing since the inception of the policy, NHCD has continued to support the development of housing communities with access to transit.

DEVELOPMENT BONUSES & COMPATIBILITY STANDARDS**16 – Council 1st reading action**

Change 10% to 25% for the affordability required for development bonus eligibility.

Staff recommendation:

Amend the draft TOD regulations to specify that 25% affordability is required in exchange for receiving a development bonus and include a provision that if the City is unable to provide funding to meet the goal of 25%, that the development still be entitled to utilize the development bonuses, with the property owner responsible for providing a required percentage of affordable square footage (10% for a density bonus and 15% for a density and height bonus). This approach would result in the provision of some affordable housing versus achieving none if the density bonus were not granted, and would be more likely to encourage appropriate levels of transit-supporting density within TOD areas.

In addition, staff recommends the initiation of amendments to the TOD Ordinance to:

- 1) Permit an affordable housing percentage less than 25% in exchange for a height bonus (in the Community Preservation and Revitalization (CP&R) Zone) if the City is unable to fund the financial gap to meet the 25% goal; and
- 2) Allow for height bonuses in the Plaza Saltillo TOD outside of the 11 acres owned by Capital Metro.

Recommendation details:Density Bonus:

In the density bonus section of each Station Area Regulating Plan, amend the text under the "Affordability Standards" heading to read as follows:

"To be eligible for the density bonus development exemptions, habitable space equal to a minimum of twenty-five percent of the entire square footage of the development shall be reserved as affordable. The applicant/property owner shall be responsible for providing habitable space equal to ten percent of the entire square footage of the development, with the option to provide additional affordable square footage. Subject to funding availability, the City of Austin shall fund the provision of the remaining affordable square footage in order to achieve twenty-five percent of the entire square footage of the development."

Density + Height Bonus:

In the height bonus section of each Station Area Regulating Plan, rename the heading to "Density and Height Bonus" and amend the text under the "Affordability Standards" heading to read as follows:

"To be eligible for density and height bonus development exemptions, habitable space equal to a minimum of twenty-five percent of the entire square footage of the development shall be reserved as affordable. The applicant/property owner shall be responsible for providing habitable space equal to fifteen percent of the entire square

footage of the development, with the option to provide additional affordable square footage. Subject to funding availability, the City of Austin shall fund the provision of the remaining affordable square footage in order to achieve twenty-five percent of the entire square footage of the development.”

Staff recommended amendments to the TOD Ordinance:

Staff recommends that Council Initiate code amendments to the TOD Ordinance to:

1. Allow for height bonuses in the Plaza Saltillo TOD outside of the 11 acres owned by Capital Metro; and
2. (If in agreement with staff recommendation above) Permit an affordable housing percentage less than 25% in exchange for a height bonus (in the Community Preservation and Revitalization (CP&R) Zone) if the City is unable to fund the financial gap to meet the 25% goal.

TOD Ordinance amendment details:

In the Plaza Saltillo TOD, in order for all properties with a TOD Mixed Use designation to be eligible for a height bonus, a code amendment to the TOD section of the Code must be initiated to remove the prohibition on increasing height outside of the Capital Metro property. There are a limited number of properties that could benefit from a potential height bonus since the total maximum height allowed in the TOD is 60 feet. However, there are a few properties, apart from the Capital Metro property, in very close proximity to the station that have a base height allowance of 40 feet that might be able to take advantage of a height bonus.

In addition, if the City Council is in favor of the staff recommendation to allow for a development bonus for a particular project when the City is unable to fund the financial gap to meet the 25% affordable housing goal for a project in the CP&R Zone, a code amendment to the TOD section of the Code will be necessary to specify that a lesser percentage is permissible.

17 – Council 1st reading discussion item:

Council Member Martinez expressed a desire to ensure that only single family and related uses trigger compatibility.

Staff recommendation:

Amend the draft regulations of each Station Area Plan to limit the uses that trigger compatibility to single-family and single-family related uses.

Recommendation details:

The Regulating Plans could include language in the Compatibility Standards section that read as follows:

“Only properties used for a single family, small lot single family, single family attached, duplex, two-family, urban home, and cottage lot purpose shall trigger compatibility standards on properties within a TOD District. In addition, a property with an SF-5 or SF-6 zoning district shall not trigger compatibility on properties within a TOD District.”

18 – Council 1st reading action:

Do not waive compatibility standards but make part of affordable housing development bonuses.

Staff recommendation:

Maintain compatibility standards per the LDC and the TOD ordinance and amend the development bonus section of each of the Station Area Plans to include a waiver of compatibility standards if the affordable housing requirement is met. In accord with previous Council action, staff assumes Compatibility Standards waivers shall not be available for properties on the north side of E. 7th Street (Plaza Saltillo) and for a specific portion of the former Value Sky Park site (MLK).

Recommendation details:

1. Amend each of the SAP Regulating Plans to include the following:

“Compatibility Standards, as stipulated in Section 25-2-1052 Division 2, apply to property within the TOD District unless a development bonus is utilized. If a development bonus is used, compatibility standards will be waived for the project.”

2. At first reading, Council approved specific compatibility standards for the north side of E. 7th St. (Plaza Saltillo TOD) and for the Value Sky Park site (MLK TOD). Staff assumes that it is Council's intention for compatibility standards to remain in place for these areas, regardless of whether or not a development bonus is granted:
 - a. *Along the north side of E. 7th Street:* based on feedback from area neighborhood groups, the Draft Plaza Saltillo Station Area Plan proposed that Compatibility Standards, if triggered by a property outside of the TOD District, should apply throughout the entire depth of the properties.
 - b. *The former Value Sky Park site:* Council specified that the additional compatibility setback from homes facing Randolph Road, as requested by the Upper Boggy Creek Neighborhood Planning Team, be approved. The compatibility setback requested was 200 feet from homes facing Randolph Road (see Item 19 below).

Potential Council directive necessary for TOD code amendment:

If it is the Council's intention for single family properties *inside a TOD* district to trigger compliance with compatibility standards on other properties within the TOD district, then a code amendment to the TOD Ordinance is required.

TOD code amendment details:

In order for a property within a TOD district to trigger compatibility on other properties within the district, a code amendment must be initiated to amend the TOD Ordinance to stipulate that Section 25-2-1052 Division 2 (Compatibility Standards) applies to all properties in a TOD. The 2005 TOD Ordinance was adopted with the stipulation that once a Station Area Plan is adopted, property within a TOD District would not trigger compatibility on other properties in the TOD District; only properties outside of a TOD District were intended to trigger compatibility on properties within a TOD District.

19 – Council 1st reading action (MLK):

Former Value Sky Park – (Increase the proposed) 100-foot zone for compatibility to 200 feet (adjacent to the homes facing Randolph Road).).

Staff recommendation:

Amend the draft MLK TOD regulations to establish a 200-foot compatibility transition area adjacent to the single family homes facing Randolph Road (i.e. where compatibility standards shall apply).

Recommendation details:

In the MLK Regulating Plan, add the following language:

“Compatibility standards shall apply for a distance of 200 feet from the single family properties along Randolph Road, excluding the two lots fronting Manor Road at the northwest corner of Manor Road and Randolph St.”

20 – Council 1st reading action (Plaza Saltillo):

Development bonuses, including a reduction in compatibility standards as proposed in the draft plan, should not be permitted for the list of properties submitted by the East Cesar Chavez Neighborhood Planning Team (incorporated from the Planning Commission recommendation).

See map on following page

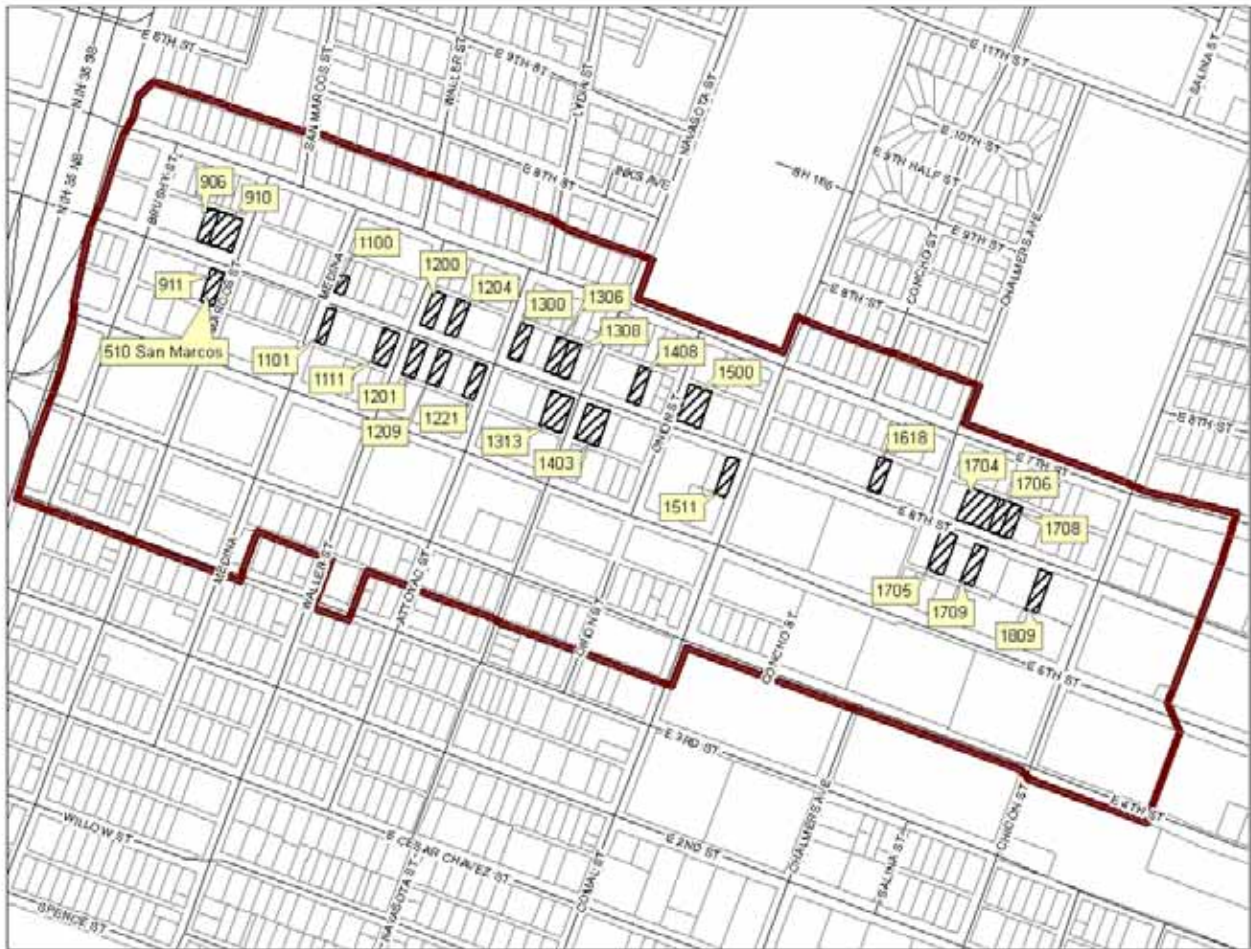
Staff recommendation:

Staff recommends that all properties eligible for a development bonus according the draft Plaza Saltillo Station Area Plan continue to have this option so that if redeveloped, there is an incentive to provide affordable housing and greater density in the TOD.

Recommendation details:

This item was incorporated without discussion into the Council first reading action from the Planning Commission recommendation and may present conflicts with other Council first reading action. These properties were selected by the East Cesar Chavez Neighborhood Planning Team as they are either an existing residential use of some sort that may be a source of affordable housing, or are historic looking. The language above was recommended by the Planning Commission as an attempt to address concerns over allowing a relaxation of Compatibility Standards by-right within the Plaza Saltillo TOD. However, per Council first reading action, the current proposal is not to allow an outright reduction in compatibility standards, but to tie a compatibility waiver to the provision of affordable housing through a development bonus.

Note: As part of the East Cesar Chavez Neighborhood Planning Team’s work towards getting local historic district status for their neighborhood, they are working with a University of Texas intern to better evaluate the historic potential of the structures included in their list of properties. The Team has indicated that they will be submitting a revised list of properties but to date that has not been received. Therefore, the properties identified on the map below refer to the original list submitted by the Team.



CATALYST PROJECTS**21 – Council 1st reading action:**

Initiate catalyst project (on city-owned land); and

The City of Austin property at 2001 E. 5th Street (a.k.a. 411 Chicon) is recommended to go into a Community Land Trust so that it provides affordable housing meeting or exceeding 25% affordability at 80% M.F.I. for home ownership and 60% M.F.I. for rental (incorporated from the Planning Commission recommendation).

Staff recommendation:

Building Services and Austin Energy staff shall examine the costs and impacts of replacing existing City buildings and relocating existing City services, availability of space at other sites, potential funding sources, redevelopment options, and present the findings back to Council for further discussion.

Recommendation details:**1) 411 CHICON (5.33 ACRES IN THE PLAZA SALTILLO TOD)**

Acquisition history – The former Brown Distributing site was acquired by the City's Building Services division in 2000. The purchase was the culmination of a 6-year search for appropriate, centrally located facilities for Building Services and other City users housed in leased properties. The purchase took place and uses were established after extensive neighborhood meetings with neighborhood groups including El Concilio and PODER.

Current uses include:

- Building Services headquarters and just-in-time supply warehouse - approximately 90 employees on-site with an additional 90 reporting to site throughout workweek
- City-wide Central Mailroom
- Central office of Materials Management (includes Uniform Services)
- City-wide Voice offices (Communications and Technology Management)
- APD Forensics evidence "cold storage"
- Materials staging for remodeling activities
- Secure, covered parking garage for tool-laden vehicles
- Emergency Medical Services (EMS) Demand Station (opening July 2008)

Key issues:

Central location is very important for most of these uses. It is unlikely that another suitable and affordable central location could be found to contain all of the uses that occupy the site. The current site accommodates a diverse and active group of users, many of whom support the large, downtown facilities, including police headquarters, RBJ Building, City Hall, Municipal Building, Waller Creek and One Texas Center.

Next steps:

Building Services staff can engage in an analysis to determine the cost of replacing existing buildings and relocating existing City services, availability of space at other sites,

and potential funding sources. Staff can return to Council to present the results of this analysis and for further discussion.

2) 910 JUSTIN LANE (5.5 ACRES IN THE LAMAR/JUSTIN TOD)

Site acquired by Austin Energy (AE) in September 1997 for use as a laydown yard and for future location of a substation.

Current uses:

- Austin Energy Construction equipment lay-down yard
- Warehouse space for AE facilities, ITT – fiber, and complex metering
- Material Reclamation Operations

Requirements for Redevelopment:

- Relocation of AE site functions;
- City proclamation that site is surplus to utility operations; and
- Identification of site redevelopment options.

*Key: Utility bond covenants require that the utility receive proceeds when utility property is sold or conveyed for a private use

Next Steps:

Austin Energy staff can engage in an analysis to determine cost of relocating existing AE uses, identify alternative locations for AE site activities, identify redevelopment options for the site, and return to Council with the results of this analysis to discuss future action.

TAX INCREMENT FINANCING (TIF)**22 – Council 1st reading action:**

Direct staff to initiate the creation of a TIF to fund public responsibilities for Council

Staff recommendation:

Hire a consultant to prepare a financial feasibility assessment for each TOD to assess the viability of funding TOD projects through a TIF. Present the findings and a staff recommendation to the Council.

Additional information:

The following information provides an overview of the purpose, criteria and process for establishing a Tax Increment Finance (TIF) Zone as described by the State Attorney General's Office.

Purpose of a TIF

The purpose of a TIF is to finance infrastructure improvements within a defined contiguous area that would not otherwise attract private investment in the City. Revenue is generated by dedicating the incremental increase in property tax revenues to the zone. Capital and operating costs are eligible for TIF funding.

The basic criteria for creating a TIF are:

1. The TIF must be initiated by the City or by petition of 50% of affected owners. If located outside the ETJ, it is not eligible for TIF.
2. The area must be contiguous (each of the TOD districts would require a separate TIF zone).
3. The area's present condition must:
 - a. Substantially impair city's growth because of deteriorating structures, inadequate street layout, unsanitary or unsafe conditions, or
 - b. Be predominately open with obsolete platting, or
 - c. Be in or adjacent to a "Federally assisted new community".

Not more than 10% of property to be included in a TIF may be residential and the zone may not contain more than 15% of the total appraised value of real property of the City. (Currently there are three TIF districts in the City of Austin: Mueller, Waller, and City Hall/CSC/Block 21. The 15% threshold has not been reached; however, the City has a policy of not including more than 5% of the total appraised value of real property in a TIF zone. Currently, the City's TIF zones constitute less than 1 % of the total appraised value of real property.)

The types of projects that can be funded through a standard TIF zone include:

- Street reconstruction projects
- Streetscape improvements
- Park construction
- Structured parking garages
- Purchase of property
- Water/wastewater/drainage facility upgrades

The steps involved in creating a standard TIF zone include:

Step 1:

Conduct an economic and feasibility assessment.

Step 2:

Prepare preliminary project and financing plan and send to each local government that levies property taxes in the zone.

A Project Plan must contain:

1. A map showing existing uses and proposed improvements;
2. Any proposed zoning changes; and
3. A list of estimated non project costs.

A financing plan must contain:

1. A detailed list of the estimated project costs of the zone, including administrative expenses;
2. A list of the kind, number and location of all proposed public works or public improvements within the zone;
3. An economic feasibility study;
4. The estimated amount of bonded indebtedness to be incurred – debt may not be longer than 20 years.
5. The timing for incurring costs or monetary obligations;
6. Methods for financing all estimated project costs and the expected sources of revenues,
7. The current total appraised value of taxable real property in the zone;
8. The estimated captured appraised value of the zone during each year of its existence; and
9. The duration of the zone.

Step 3:

Provide 60 day written notice to other taxing entities.

Step 4:

Meet with other taxing entities within the jurisdiction to discuss project and financing plan. Conduct a formal presentation to the governing bodies. Other taxing entities may appoint a representative to serve on the TIF Board.

Step 5:

Conduct a public hearing and approve an ordinance. Establish TIF Board to oversee project(s) in the zone.

Step 6:

Prepare final project and financing plans for Board and City Council approval.

Step 7:

An annual report must be submitted to the chief executive officer of each taxing unit within the zone.

Note: If both a Homestead Preservation District TIF and a TOD TIF are established, it will be necessary to ensure coordination between the geography of the two districts to avoid conflicts or other unintended consequences.

DEVELOPMENT STANDARDS**23 – Council 1st reading action:**

Require mixed use in TOD Mixed Use and Corridor Mixed Use zones.

Staff recommendation:

Amend draft TOD regulation to require a non-residential ground floor use for properties located along an active edge (i.e. along key streets and intersections in the TOD Mixed Use subdistrict) as these are the areas where active uses are most viable and desirable.

Recommendation details:

Amend active edge development standards in each of the TOD regulating plans to read:

“For that portion of a building façade that is along a street frontage designated as an active edge, the ground floor of the building must contain a non-residential use and be designed according to the Active Use Area standards.”

(Summaries of the demand for retail and office uses for the three Station Areas excerpted from the market analyses done by Economic Research Associates can be found in the “Supplemental Information” Section at the end of this report.)

24 – Council 1st reading action:

Develop sustainable landscape standards, including green infrastructure standards and present a proposal to make Appendix E: Drainage, Storm Water Management, and Green Infrastructure, of the Station Area Plans mandatory.

Staff recommendation:

Amend the draft TOD regulations to include a minimum Green Infrastructure requirement in each of the Station Area Regulating Plans.

Recommendation details:

Add a new section to the Station Area Regulating Plans with the following text:

1. On-site water quality controls are required for new or redevelopment projects, including those to be built in the TOD districts.
2. A minimum of 75% of the required Water Quality Volume (WQV) must be treated on-site using Green Infrastructure (i.e. Innovative Water Quality Controls, per ECM 1.6.7). All the Innovative Controls that use the landscape as part of the treatment system require sustainable landscape practices in the form of native vegetation and Integrated Pest Management Plans.
3. In cases where site-specific circumstances limit the ability to treat 100% of WQV on-site, the City may allow proportionally reduced fee-in-lieu payments, if at least 75% of the WQV has been treated on-site using Green Infrastructure. WPDRC staff will maintain the ability currently allowed by ECM 1.6.4 to further reduce the level of on-site control if special circumstances exist which warrant the reduction.

4. If a developer, or group of developers, propose a regional water quality structure that treats the stormwater from at least 10 acres of previously untreated offsite land, the City may cost participate in the construction of the structure (ECM 1.9).

[The intent of this section is to encourage multiple uses of landscaped areas to maximize on-site storm water treatment, reduce needs for potable water irrigation of the landscape and reduce reliance on traditional Best Management Practices (like storm water ponds) that decrease usable space. In order to reach these goals, development shall comply with the strategy above that combines newly adopted practices in the Environmental Criteria Manual (ECM) with the Urban Watersheds Water Quality Fee-in-Lieu program and the Urban Watersheds Cost Recovery/Cost Participation Program.

Recently adopted criteria in ECM 1.6.7 provide direction on how to design vegetative filter strips, biofiltration ponds, rain gardens, porous pavement, rainwater harvesting and additional landscaping to meet Code-required water quality requirements (LDC 25-8-213). These Innovative Controls rely on vegetative and landscape elements to treat storm water. The criteria specifically outline the standards for maintaining these native landscaped storm water controls in a sustainable manner.

Optimally, these controls will be integrated with landscaping areas already required of new development according to LDC Section 25-2-514 and 25-2 Divisions 2 and 3. This would reduce the need to construct a separate water quality facility; land that would have been used for separate water quality controls and landscaping is then available for other types of development. In addition, irrigation needs are minimized by having the ability to use storm water run-off to water plants and vegetation versus using potable City water.

The Land Development Code (LDC 25-8-214) currently allows developers to submit a request to pay a "fee-in-lieu" of building a water quality control on-site in Urban Watersheds. The same section directs staff to use the fees (Urban Structural Control Fund) to identify, plan, design and construct regional water quality facilities to treat areas built before controls were required. Second, current Code (LDC 25-8-215) allows for the City to cost participate in the construction of on-site water quality facilities. Environmental Criteria Manual section 1.9.2 provides the criteria by which the City may cost participate. Cost participation is only available for *redevelopment* in Urban Watersheds. Additionally, the redeveloped area must be greater than one acre and the on-site water quality facility must receive at least 10 acres of off-site, previously untreated runoff. Such controls are known as "regional" facilities.]

25 – Council 1st reading action (MLK):

Former Value Sky Park – That (a portion of) this property be limited to Medium Density Residential even though the owner wants it to be changed to TOD Mixed Use.

Staff recommendation:

Amend the MLK Station Area Land Use Concept Plan so that the western portion of 2900 Manor Rd. shall be changed from TOD Mixed Use to Medium Density Residential, excluding the portion of the property that fronts onto Manor Rd., which will continue to show as TOD Mixed Use.

26 – Council 1st reading action (MLK):

Former Value Sky Park – That Alexander Street be extended through and connect to Clarkson.

Staff recommendation:

Appropriate roadway alignment shall be determined via the standard City development review process. The roadway and any buildings on the site should be planned concurrently so that they relate appropriately and the street functions properly in the development context. Since a development plan has not been submitted for this site, it is not possible to conclude at this time what an appropriate, safe, and realistic alignment might be.

Recommendation details:

The intent behind this item, brought forward to the City Council by the Upper Boggy Creek Neighborhood Planning Team, is to minimize automobile impact on the homes along Randolph from a redevelopment of the Value Sky Part site. The Team has requested that when an interior street is created, that it align through the site to connect with Clarkson Ave., and avoid entering and exiting the development from Randolph Rd.

A future extension of Alexander Street into the property at 2900 Manor Rd. could be provided as part of the redevelopment of the site and would most likely be proposed as a private street or drive. The funding of private streets and drives is the responsibility of the developer; the City does not have funding available to cost participate in the provision of such streets and drives.

There are details regarding the proposed alignment of the street that need to be evaluated at the site plan stage, which is why the Station Area Plans do not dictate where new streets will go, but illustrate conceptual alignments. The proposed alignment needs to be studied in detail since there is a drainage channel at the potential future juncture of the Alexander extension with Clarkson St. Drainage culverts might be required if a roadway were located in this location, which would add to the cost of the roadway. In addition, there are existing trees that may have protected status according to the LDC, which could limit construction in this area. Development review staff may also have issues with aligning the road as requested here due to the angle of the intersection created by Alexander and Randolph Rd. If sight distance is compromised, a safety hazard could be created. Randolph Road would potentially need to be realigned to avoid creating such a situation, at significant cost. A more viable and safer solution would probably be to intersect the Alexander extension with Randolph Rd. in order to achieve a more appropriate angle.

If a goal is to minimize car headlights shining on homes along Randolph Rd., during the site plan stage, staff can work with the developer and residents along Randolph Rd. to determine a suitable location for the roadway given the site constraints in an effort to minimize impacts to residents on Randolph Rd. One possible solution might be to locate the extension of Alexander onto Randolph Road between single family property lines.



27 – Council 1st reading action (Plaza Saltillo):
Do not rezone Cap Metro site from P zoning.

Staff recommendation:

This site currently has commercial mixed use zoning (except for the station itself); staff recommends that TOD zoning with development bonus eligibility be approved to promote increased density and affordable housing.

Recommendation details:

Currently, apart from the actual transit plaza, the entire Capital Metro property is zoned CS-MU-CO-NP (Commercial Services Mixed Use). Based on the discussion at the first reading public hearing, if it is the desire of the Council to not allow for increased entitlement on the Capital Metro property, then the development bonuses in the Regulating Plan could be withheld, since the existing density and height entitlements are transferred over to the new TOD Zoning designation as a base entitlement. Staff

recommends that TOD Zoning be applied to the property, since that is the vehicle for applying the TOD Design Standards and other standards appropriate in a TOD District.

Since a goal of TOD is to provide more density near rail stops, and this is the most significant development parcel in the Plaza Saltillo TOD, staff recommends that the development bonuses be allowed on the Capital Metro property. In addition, since one of the primary tools to achieve affordable housing is through a development bonus, these bonuses should not be eliminated as it has good potential for providing a significant number of affordable units in the relative near term.

28 – Council 1st reading action (Plaza Saltillo):

Recommend including language from the University Neighborhood Overlay (UNO) Ordinance that speaks to de-coupling rent from the leasing of a parking space (incorporated from the Planning Commission recommendation).

Staff recommendation:

In the Parking Requirements section of each of the Station Area Regulating Plans, add: “A parking space must be leased or sold separately from a dwelling unit.”
(Staff believes it was the intent of the Planning Commission to apply this to all TODs.)

29 – Council 1st reading action:

If any utility or City department imposes requirements that alter this plan (including criteria manual requirements, etc.), they have to come to Council with a waiver application within 45 days.

Staff recommendation:

Staff from NPZD, Public Works, and Austin Energy shall identify streetscape and urban design standards that conflict with existing or proposed criteria or code requirements or standards, and propose recommendations to resolve these conflicts. Once developed, staff will present these recommendations to the City Council

Recommendation details:

City staff recommends that departmental staff continue to administratively handle conflicts that arise during the site plan and subdivision stages of the development review process. Conflicts do arise between streetscape and urban design standards and City health, safety, and utility standards. Accordingly, staff recommends that in place of creating a Council approved waiver process, City staff from affected departments collaborate to present issues, examine existing processes and regulations, and make regulatory and/or criteria manual changes so that a long term procedure is developed to address areas of conflict.

Requirements administered by Public Works and Austin Energy are periodically in conflict with urban design and street standards. NPZD staff has met with staff from both PW and AE, and the following issues have been determined to be appropriate for an interdepartmental review:

- Public Works Department – Street standards
Street standards appropriate for an urban development pattern have periodically been inconsistent with standards in the Transportation Criteria Manual (TCM). NPZD staff is currently collaborating with PW staff to eliminate inconsistencies and create revised TCM street standards that are appropriate for urban, pedestrian and transit-oriented areas. These standards will establish TCM street cross section typologies that include standards for sidewalks, street tree zones, lane widths, bike lanes, medians, and other elements that are consistent with the Design Standards, TOD Station Area Plans, and the North Burnet/Gateway Master Plan. These standards will be applied during the City's subdivision and site plan development review process for new streets and for the redesign and reconstruction of existing streets
- Austin Energy – Electric utilities
Compact and dense forms of development, and the redevelopment of older properties often present challenges during development review as there is characteristically limited space in which to locate and maintain access to needed electric utility infrastructure, and because development plans frequently fail to identify sufficient space for utility facility placement and access. In addition, there may not be sufficient room in the streetscape or sidewalk area for utility facility placement or access to City utilities. While AE staff is currently part of the City's development review process for subdivision and site plan applications, additional development review process changes are under staff consideration so that utility facility location and access problems are identified and addressed during the development review process. In addition, staff has initiated discussions regarding potential regulatory revisions to address conflicts between standards. Recommendations developed through this process will be presented to the City Council.

IMPLEMENTATION OF TOD STATION AREA PLANS**30 – Council 1st reading action (Lamar/Justin):**

Establish a Working Group to implement the Station Area Plan as soon as possible (incorporated from the Planning Commission recommendation).

Staff recommendation:

Due to current staff limitations, in order for continuous and focused work to be done on Station Area Plan implementation, a new FTE position should be introduced into the NPZD FY 2008-09 budget to implement all Station Area Plans.

Recommendation details:

Implementation of the Station Area Plans is a critical element to realizing TOD in Austin. The Station Area Plans recommend that a dedicated staff person be assigned to TOD implementation full time since NPZD currently does not have available staff to assign to this activity. Implementation of this amendment will either require an additional staff person or will limit staff resources available for other planning initiatives.

CAPITAL METRO**31 – Council 1st reading action (MLK):**

Identify a commuter rail stop at Manor Road.

CMTA response:

A general location has been identified north of Manor Road in rail right-of-way; an exact location will be determined if and when streetcar service is approved and funded.

Response details:

When CMTA did the Future Connections Study (FCS), a Manor Road stop was envisioned as the simplest possible cross-platform transfer. So there would be a platform north of Manor Road in CMTA ROW and sidewalks leading to the street; the length of the sidewalk would depend on the actual location of the platform. If CMTA places the platform in very close proximity to Manor and only loads from one end, it might be a very short connection. CMTA does not plan to buy property for a station. The streetcar stop would be located along a sidewalk, so it might be on either side of the tracks. The choice depends on a number of factors which the rail and transportation engineers need to consider. City input would be important when determining the specifics for addressing all the transit/urban design issues if and when there is a streetcar running on Manor.

32 – Council 1st reading action (MLK):

Evaluate whether or not enough Right Of Way (ROW) is reserved for double tracking.

CMTA response:

CMTA has around 50 feet of ROW, which is enough to double track the line through this area.

SUPPLEMENTAL INFORMATIONECONOMIC RESEARCH ASSOCIATES (ERA) MARKET REPORT EXCERPTS:*MLK Jr. Blvd. TOD*

- Nearby retail centers such as the shopping district on Second Street near the university, the nearby Highland Mall, Downtown Austin retail, the Mueller development and the Domain shopping center currently under construction limit the potential for a large retail shopping center at Martin Luther King, Jr. Station.
- Most of the existing retail in East Austin and around the Martin Luther King, Jr. station is composed of small and independent retailers. Given this context, ERA has analyzed the site's ability to capture spending from the residents of surrounding neighborhoods (within a seven-minute drive of the station area).
- The plan for the station area shows a significantly larger amount of retail space along Martin Luther King Boulevard, Alexander Avenue, and surrounding the station. In addition, there is a secondary mixed-use retail area centered at Manor Road and Alexander Avenue. Finally, there are two corridor mixed use districts located further east of the station along Airport Boulevard at Manor Road and Martin Luther King Boulevard. ERA's analysis indicates that this scale of retail development may be difficult to achieve. The focus of active retail uses should be at the heart of the transit district, on Alexander Avenue between the station and Martin Luther King Boulevard, and to some extent along Martin Luther King Boulevard between Miriam Avenue and the railroad tracks. Once the proposed streetcar system on Manor Road is operational, there may be some additional retail development potential on Manor Road, but that may take considerably longer to happen.
- Much of the new office space is moving into downtown, the northwest and the southwest. Moreover, few brokers we spoke with noted that the Martin Luther King Jr. station area would be the next logical area for new office development in the region

Plaza Saltillo TOD

- There are no sites available at Plaza Saltillo-Comal for the development of large-scale retail spaces. It is likely that new retail development opportunities will be largely for smaller and independent operators. ERA's analysis evaluates the potential for new retail space in the area based on growth in the market area's population and income.
- ERA estimates that there will be potential for the development of approximately 27,000 to 35,000 square feet of retail space in the short term (2007 to 2010). As residential projects reach completion and the number of higher income households in the neighborhood increases the demand for retail will expand to support an additional 111,000 to 143,000 square feet of retail space from 2016 to 2025. ERA believes that the majority of the new retail will be composed of eating and drinking establishments (restaurants, bars, cafes), miscellaneous and specialty retail (gift shops, stationary stores, hobby stores, etc), and food stores (with a focus on specialty gourmet/ethnic foods). Sixth Street may gradually evolve into an entertainment and dining destination corridor, while ERA anticipates that Fourth Street and Fifth Street will contain more neighborhood-oriented retail uses.
- While the Plaza-Salttillo Comal station area shares the same office market characteristics as the Martin Luther King Jr. station area, Plaza Saltillo-Comal has greater potential for future office development, given the following attributes: adjacency to Downtown Austin – the short distance to the Downtown core gives the site some ability to capture office users; convenient regional access (transit and highway) to the regional labor force, especially once the rail station is in operation.
- ERA projects demand for between 450,000 to 850,000 square feet of office space at Plaza Saltillo-Comal Station. ERA believes that its location allows Plaza Saltillo-Comal to capture some of the office users that prefer being close to the urban core but are unable to pay the

rents achieved Downtown. Recent trends suggest that this area is popular with certain types of “creative” professionals as well, such as architecture and design firms, who seek a less traditional building type and lower cost location.

Lamar Blvd./Justin Lane TOD

- Based on ERA’s analysis of market demand, the N. Lamar station area has strong potential for housing development in the short term. In the longer term, there is demand for office and possibly a small, limited service hotel if the land for hotel development is reserved. Retail potential is primarily support retail for residents and employees in the neighborhood. One or more anchor uses, such as a restaurant/microbrewery, is important to long-term retail success.
- Because of the existing larger regional centers in the immediate market area, ERA believes that the new retail development opportunities at North Lamar Station will be derived largely from the station area’s new residents and employees. In order to avoid competing with the Highland Mall and the Domain shopping center, ERA does not recommend apparel or general merchandise stores as retail tenants at N. Lamar. However, the mix of retail should be designed to generate activity and attract foot traffic. ERA envisions a mixture of convenience/service retail, restaurants and bars as tenants for the retail space at N. Lamar. Possible tenants at N. Lamar could include a destination-type restaurant/brew pub such as Gordon Biersch, which can attract young professional singles and families. A fitness center or yoga studio may also work well at this location on the upper floors, drawing from commuter residents and local workers.
- The N. Lamar station area has some potential for future office development, given the following attributes: proximity to University of Texas – the short distance to UT may enable N. Lamar to attract office users related to the university and its research institutions; convenient regional access (transit and highway) to the regional labor force, especially once the rail station is in operation. The new rail system will provide employers locating in central Austin with better and faster access to their workforce than other competing suburbs in the metropolitan area.
- ERA expects that demand for office space will largely come from university-related businesses, as well as professional office space for users such as travel agents, realty companies, medical offices, or legal offices, which primarily serve the local market. Optimal office locations will be those that offer the greatest amount of accessibility.