

### NEIGHBORHOOD PLAN AMENDMENT REVIEW SHEET

**NEIGHORHOOD PLAN:** North Lamar/Georgian Acres Combined

CASE#: NPA-2018-0026.01

**DATE FILED**: February 27, 2018 (In-cycle)

**PROJECT NAME:** Austin Suites

**PC DATE:** June 12, 2018

ADDRESS: 8300 North I.H.-35

DISTRICT AREA: 4

SITE AREA: 3 acres

**OWNER/APPLICANT:** Collin Brothers, Artesia Real Estate

**AGENT:** Stantec Consulting Services Inc. (Stephen Rye)

### TYPE OF AMENDMENT:

**Change in Future Land Use Designation** 

From: Commercial To: Mixed Use

**Base District Zoning Change** 

Related Zoning Case: C14-2018-0022From: CS-CO-NPTo: CS-MU-CO-NP

**NEIGHBORHOOD PLAN ADOPTION DATE:** June 24, 2010

### PLANNING COMMISSION RECOMMENDATION:

June 12, 2018 –

**<u>STAFF RECOMMENDATION</u>**: Recommended



**BASIS FOR STAFF'S RECOMMENDATION**: Staff recommends the applicant's request for Mixed Use land use. In the past Staff would typically have not supported a plan amendment request from Commercial to Mixed Use that was triggered by an associated zoning change request for CS-MU-CO-NP for proposed apartments located along highways. However, this property is unique in that the Austin Suites Hotel is currently serving as longterm housing and a number of units are used by the Housing Authority of the City of Austin for low-income people. Although not an ideal location because the property is located along Interstate Highway 35 and has no access other than to the frontage road, staff recognizes the need for additional housing as presented in the *Austin Strategic Housing Blueprint* and also the latest version of CodeNEXT proposes zoning that allows housing of all types along highways, regardless of property access to alternative streets other than a highway access road.

The plan document does not support *new* apartments in the area because the planning area has an over-abundance of them, however the property is currently a hotel that is effectively being used as a low-income apartment building with long-term tenants.

### LAND USE

Create a well-balanced land use pattern in the North Lamar Combined Neighborhood Planning Area by assigning appropriate land uses to particular properties.

### Objective L.1: Preserve the residential character of the neighborhoods in the NLCNPA.

**Recommendation 119** Non-residential uses should not encroach into the established neighborhoods of the NLCNPA.

Objective L.2: Maintain a balanced residential character throughout the NLCNPA.

- **Recommendation 121** Limit the construction of new, large multi-family residential complexes throughout the NLCNPA.
- **Recommendation 122** New, more intense residential development should contain a mixed use element and be located along major roadways.

# Objective L.5: Increase the housing options and/or homeownership opportunities within the NLCNPA.

Recommendation 131	Allow the Urban Home Special Use on Tracts A and B.
Recommendation 132	Allow the Residential Infill Special Use on Tracts A and B.
Recommendation 133	Incorporate the Vertical Mixed Use Building ("V") zoning overlay into the applicable base zoning district(s) of Tract C.

### \* The I-35 Corridor should remain a largely commercial thoroughfare.

Interstate Highway 35 (I-35) is the most heavily traveled roadway in Austin. It is also the eastern boundary for the NLCNPA, running between US Highway 183 and Braker Lane. The varieties of businesses along its frontage road look like those found along interstate frontage roads across the country. Aside from a major manufacturing facility (i.e., Golfsmith), numerous motels, and several apartment complexes, the I-35 frontage contains a variety of local and regional commercial or light industrial uses.

Land located along an interstate frontage is traditionally set aside for more intense uses (e.g., commercial retail centers, offices, etc.). However, residential uses are oftentimes located along these roadways as a means to provide easy access to various points throughout a city. NLCNPA stakeholders declined to recommend additional housing along the freeway due to poor automobile and pedestrian access to the rest of the neighborhood as well as health concerns associated with air pollution generated by the high volume of traffic on I-35.

### Objective L.8: Preserve the largely commercial environment along the I-35 Corridor.

Recommendation 138	Retain all commercial future land use designations located along I-35.
Recommendation 139	Place restrictions on the development of new hotels/motels along I-35.

### LAND USE DESCRIPTIONS

### EXISTING LAND USE ON THE PROPERTY

### Commercial

Lots or parcels containing retail sales, services, hotel/motels and all recreational services that are predominantly privately owned and operated for profit (for example, theaters and bowling alleys). Included are private institutional uses (convalescent homes and rest homes in which medical or surgical services are not a main function of the institution), but not hospitals.

### Purpose

- 1. Encourage employment centers, commercial activities, and other non-residential development to locate along major thoroughfares; and
- 2. Reserve limited areas for intense, auto- oriented commercial uses that are generally not compatible with residential or mixed use environments.

### Application

- 1. Focus the highest intensity commercial and industrial activities along freeways and major highways; and
- 2. Should be used in areas with good transportation access such as frontage roads and arterial roadways, which are generally not suitable for residential development.

### **PROPOSED LAND USE ON THE PROPERTY**

Mixed Use - An area that is appropriate for a mix of residential and non-residential uses

### Purpose

- 1. Encourage more retail and commercial services within walking distance of residents;
- 2. Allow live- work/flex space on existing commercially zoned land in the neighborhood;

3. Allow a mixture of complementary land use types, which may include housing, retail, offices, commercial services, and civic uses (with the exception of government offices) to encourage linking of trips;

- 4. Create viable development opportunities for underused center city sites;
- 5. Encourage the transition from non- residential to residential uses;
- 6. Provide flexibility in land use standards to anticipate changes in the marketplace;

7. Create additional opportunities for the development of residential uses and affordable housing; and

8. Provide on- street activity in commercial areas after 5 p.m. and built- in customers for local businesses.

### Application

1. Allow mixed use development along major corridors and intersections;

2. Establish compatible mixed- use corridors along the neighborhood's edge

3. The neighborhood plan may further specify either the desired intensity of commercial uses (i.e. LR, GR, CS) or specific types of mixed use (i.e. Neighborhood Mixed Use Building, Neighborhood Urban Center, Mixed Use Combining District);

4. Mixed Use is generally not compatible with industrial development, however it may be combined with these uses to encourage an area to transition to a more complementary mix of development types;

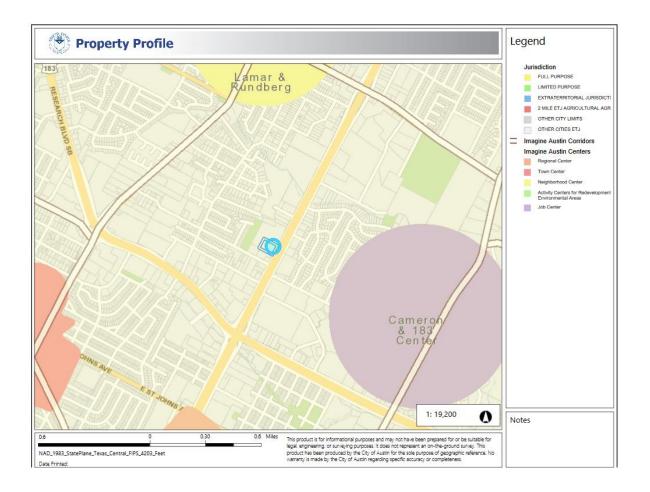
5. The Mixed Use (MU) Combining District should be applied to existing residential uses to avoid creating or maintaining a non- conforming use; and

6. Apply to areas where vertical mixed use development is encouraged such as Core Transit Corridors (CTC) and Future Core Transit Corridors.

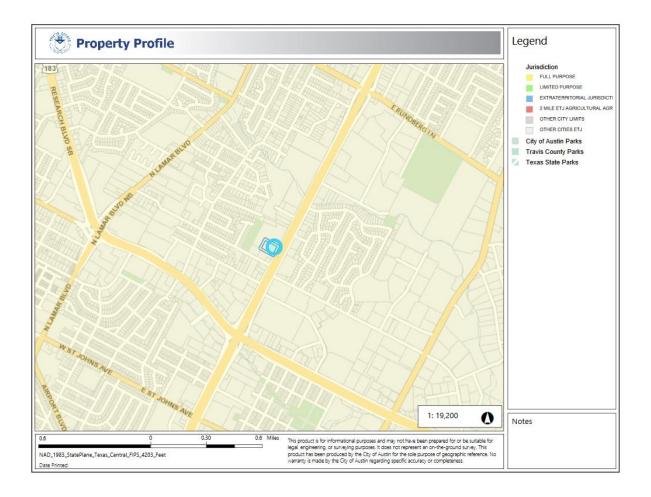
### IMAGINE AUSTIN PLANNING PRINCIPLES

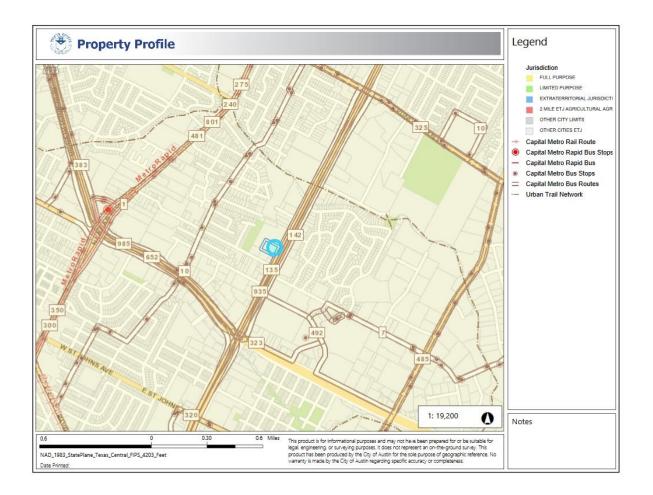
- 1. Create complete neighborhoods across Austin that provide a mix of housing types to suit a variety of household needs and incomes, offer a variety of transportation options, and have easy access to daily needs such as schools, retail, employment, community services, and parks and other recreation options.
  - The applicant's proposed apartments will provide a mix of housing for the planning area and city. The property is located along bus routes and near the Georgian Acres Public Park. It does not appear to be near public schools, but is directly south of the Cedars International Academy.
- 2. Support the development of compact and connected activity centers and corridors that are well-served by public transit and designed to promote walking and bicycling as a way of reducing household expenditures for housing and transportation.
  - The property is not located along an activity corridor or within an activity center. Being located along an interstate highway does not make it a great location for pedestrians or bicyclists, although there are bus routes on the frontage road.
- 3. Protect neighborhood character by ensuring context-sensitive development and directing more intensive development to activity centers and corridors, redevelopment, and infill sites.
  - The property is not located along an activity corridor or within an activity center.
- 4. Expand the number and variety of housing choices throughout Austin to meet the financial and lifestyle needs of our diverse population.

- On the property is an existing hotel that is being used for long-term housing for low-income people. The applicant's proposed zoning would allow for the hotel to become an apartment building with some of the unit reserved for low-income tenants. The request will provide more housing options for the area and the City.
- 5. Ensure harmonious transitions between adjacent land uses and development intensities.
  - To the north of the property is Multifamily land use and to the south is Commercial and Mixed Use.
- 6. Protect Austin's natural resources and environmental systems by limiting land use and transportation development over environmentally sensitive areas and preserve open space and protect the function of the resource.
  - The property is not located in an environmentally sensitive area.
- 7. Integrate and expand green infrastructure—preserves and parks, community gardens, trails, stream corridors, green streets, greenways, and the trails system—into the urban environment and transportation network.
  - *Not applicable.*
- 8. Protect, preserve and promote historically and culturally significant areas.
  - The property is not historic or culturally significant.
- 9. Encourage active and healthy lifestyles by promoting walking and biking, healthy food choices, access to affordable healthcare, and to recreational opportunities.
  - The property is walking distance to the Georgian Acres Park.
- 10. Expand the economic base, create job opportunities, and promote education to support a strong and adaptable workforce.
  - *Not applicable.*
- 11. Sustain and grow Austin's live music, festivals, theater, film, digital media, and new creative art forms.
  - *Not applicable.*
- 12. Provide public facilities and services that reduce greenhouse gas emissions, decrease water and energy usage, increase waste diversion, ensure the health and safety of the public, and support compact, connected, and complete communities.
  - Not applicable.



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### IMAGINE AUSTIN GROWTH CONCEPT MAP

### **Definitions**

**Neighborhood Centers -** The smallest and least intense of the three mixed-use centers are neighborhood centers. As with the regional and town centers, neighborhood centers are walkable, bikable, and supported by transit. The greatest density of people and activities in neighborhood centers will likely be concentrated on several blocks or around one or two intersections. However, depending on localized conditions, different neighborhood centers can be very different places. If a neighborhood center is designated on an existing commercial area, such as a shopping center or mall, it could represent redevelopment or the addition of housing. A new neighborhood center may be focused on a dense, mixed-use core surrounded by a mix of housing. In other instances, new or redevelopment may occur incrementally and concentrate people and activities along several blocks or around one or two intersections. Neighborhood centers will be more locally focused than either a regional or a town center. Businesses and services—grocery and department stores, doctors and dentists, shops, branch libraries, dry cleaners, hair salons, schools, restaurants, and other small and local businesses—will generally serve the center and surrounding neighborhoods.

**Town Centers -** Although less intense than regional centers, town centers are also where many people will live and work. Town centers will have large and small employers, although fewer than in regional centers. These employers will have regional customer and employee bases, and provide goods and services for the center as well as the surrounding areas. The buildings found in a town center will range in size from one-to three-story houses, duplexes, townhouses, and rowhouses, to low-to midrise apartments, mixed use buildings, and office buildings. These centers will also be important hubs in the transit system.

**Job Centers -** Job centers accommodate those businesses not well-suited for residential or environmentally- sensitive areas. These centers take advantage of existing transportation infrastructure such as arterial roadways, freeways, or the Austin-Bergstrom International airport. Job centers will mostly contain office parks, manufacturing, warehouses, logistics, and other businesses with similar demands and operating characteristics. They should nevertheless become more pedestrian and bicycle friendly, in part by better accommodating services for the people who work in those centers. While many of these centers are currently best served by car, the growth Concept map offers transportation choices such as light rail and bus rapid transit to increase commuter options.

**Corridors** - Activity corridors have a dual nature. They are the connections that link activity centers and other key destinations to one another and allow people to travel throughout the city and region by bicycle, transit, or automobile. Corridors are also characterized by a variety of activities and types of buildings located along the roadway — shopping, restaurants and cafés, parks, schools, single-family houses, apartments, public buildings, houses of worship, mixed-use buildings, and offices. Along many corridors, there will be both large and small redevelopment sites. These redevelopment opportunities may be continuous along stretches of the corridor. There may also be a series of small neighborhood centers, connected by the roadway. Other corridors may have fewer redevelopment opportunities, but already have a mixture of uses, and could provide critical transportation connections. As a corridor evolves, sites that do not redevelop may transition from one use to another, such as a service station becoming a restaurant or a large retail space being divided into several storefronts. To improve mobility along an activity corridor, new and redevelopment should reduce per capita car use and increase walking, bicycling, and transit use. Intensity of land use should correspond to the availability of quality transit, public space, and walkable destinations. Site design should use building arrangement and open space to reduce walking distance to transit and destinations, achieve safety and comfort, and draw people outdoors.

**<u>BACKGROUND</u>**: The plan amendment application was filed on February 27, 2018, which is in-cycle for neighborhood planning areas located on the west side of I.H.-35.

The applicant proposes to change the land use on the property from Commercial to Mixed Use. The proposed zoning change request is from CS-CO-NP to CS-CO-MU-NP to refurbish the existing hotel into apartments. For more information on the zoning request, please see the zoning case report C14-2018-0022.



**<u>PUBLIC MEETINGS</u>**: The ordinance-required community meeting was held on April 25, 2018. Approximately 468 community meeting notices were mailed to people who live or own property within 500 feet of the property in addition to neighborhood organizations and environmental groups who have requested notification for the area. Fourteen people attended the meeting, in addition to one city staff member.

Stephen Rye, the applicant's agent, told the attendees that the property was recently purchased by his clients. They have submitted two applications one for a rezoning change application to change the zoning from CS-CO-NP to CS-MU-CO-NP and the other to change the future land use map from Commercial to Mixed Use.

He said they met with the North Lamar/ Georgian Acres Neighborhood Plan Contact Team to get their input into the process. If the zoning is approved, four to six months from that date they would start renovating the property. The existing hotel would not be demolished, but the units would be renovated.

The City of Austin has a Relocation Ordinance that was passed last year, but it doesn't apply to hotels. However, we plan to work with the tenants with a modified version of the Relocation Ordinance.

If the property is rezoned, we will give the tenants a 90 day notice and a one-time relocation fee of \$500 per unit. Tenants who live in the Austin Suites right now who live in subsidized units (24 units) will get the right of first refusal for the newly renovated units once completed. We will also provide tenants a packet of relocation information and a timeline and also information on HACA and ECHO.

After his presentation, the following questions were asked:

### Q. Will there be affordable apartments?

A. We will work with the Housing Authority of the City of Austin (HACA) and ECHO on the existing affordable units so they can stay affordable.

### Q. Will we be locked out of our units?

A. No, you will not be locked out.

### Q. Will the rents increase once the units are renovated?

A. I don't have the specific amounts of how much the rents will increase.

# Q. For people who now live in Austin Suites who pay full rent, how can we get the subsidized rent?

A. You would have to apply for the subsidized units through the HACA, if there is funding available.

### Q. When would this take place?

A. It would take seven to eight months, up to 10 months.



### Q. Have you worked with Caritas yet?

A. No, not yet, but we are working with them to provide a space for them in our building.

### Q. Have you worked with Foundation Communities?

A. Not yet, but we will.

# Q. Would you be willing to put your modified Relocation Ordinance conditions in a private restrictive covenant?

A. Yes.

### Q. Who will get the \$500 relocation money?

A. Anyone who lives in the building at the time we are distributing the notification package.

# **Q**. When the apartments are completed and old tenants want to come back, will there be a credit check?

A. I don't know yet. ECHO has their own process, so maybe we can follow their process and could waive the credit check or maybe an application fee.

### Q. What else will the renovation of the hotel bring?

A. There will be pedestrian access to the Georgian Acres Park. Traffic calming on Powell Lane. Landscaping of the exterior. Since they will be apartments, there will be less transitory and more long-term people living there.

### Q. The exterior is stone. Will that change?

A. The stone won't change.

### Q. Will the clientele be hipsters?

A. I don't know what the marketing will be.

### Q. What about the parking requirements?

A. We will meet the Land Development Code requirements. Parking will be at the front of the building.

### **Comments:**

- The area of the city is the last affordable places in Austin.
- We don't want this area to be gentrified.
- Living near the bus routes are important to the people who live in Austin Suites and this area.

# BELOW IS WHAT THE APPLICANT IS PROPOSES FOR THE CURRENT TENANTS LIVING IN THE AUSTIN SUITES:

• Voluntary, modified compliance with Tenant Relocation Ordinance notification requirements <u>for all tenants</u>:

• 90-day official notice to vacate

• Provide tenant information packet to all residents including 90-day notification and access to relocation services and information.

A voluntary, modified tenant relocation for every existing, <u>non-subsidized</u> tenant; to be paid by property owner:

• \$500 payment for moving and relocation expenses per unit

A voluntary, modified tenant relocation for every <u>subsidized</u> tenant; to be paid by property owner:

- Moving expenses
- Temporary housing during remodel
- Right of first refusal for tenants if they meet program screening criteria

• Register subsidized units will register with City of Austin's Ending Community Homelessness Coalition (ECHO) program for tenant rent subsidy, counseling services, and resources.

• Non-profit or education programming for all tenants: Property owner will provide meeting/programming space within the building.

• Cost Participation in Neighborhood Partnership Program for the installation of traffic calming infrastructure on Powell Lane.

### BELOW IS WHAT THE NORTH LAMAR/GEORGIAN ACRES NEIGHBORHOOD PLAN CONTACT TEAM IS REQUESTING FROM THE APPLICANT:

**1.** Tenant relocation package to be negotiated individually or collectively by tenants, no less than the initial offer from Artesia which includes (but is not limited to):

### For all tenants:

• 90-day official notice to vacate

• Provide tenant information packet to all residents including 90-day notification and access to relocation services and information.

• \$500 payment for moving and relocation expenses per unit

### For subsidized tenants:

• Moving expenses



· Temporary housing during remodel

• Right of first refusal to return to a remodeled unit if they meet program screening criteria

2. Memo of understanding between Artesia and ECHO or comparable agency to provide case management for 20 units to be held affordable at 60% MFI (about \$40,000 annually for a family of two); *Note: The Applicant does NOT agree to this.* 

**3.** Contribution to transportation safety improvements of \$50,000 from Artesia. *Note: The Applicant does NOT agree to this.* 

<u>CITY COUNCIL DATE</u>: June 28, 2018

<u>ACTION</u>:

**<u>CASE MANAGER</u>**: Maureen Meredith

**<u>PHONE</u>**: (512) 974-2695

**EMAIL:** Maureen.meredith@austintexas.gov

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Applicant's Summary Letter

## Neighborhood Plan Amendment

### SUMMARY LETTER

The property located at 8300 N. IH 35 is currently developed as a hotel-motel use (Austin Suites Hotel). This property is within the Georgian Acres Neighborhood Plan boundaries, which is part of the North Lamar Combined Planning Area.

The Georgian Acres Neighborhood Future Land Use Map designates the property as a Commercial future land use.

The property has recently been purchased by Artesia Real Estate. Artesia intends renovate the property and change the land use to Multi-family.

A zoning application will accompany the Neighborhood Plan Amendment application to add a mixed-use (MU) zoning overlay to the commercial base zoning district. The neighborhood plan amendment requests an amendment to the Georgian Acres FLUM to change the future land use designation to mixed-use in order to correspond to the proposed zoning overlay and land use.



### Letter from the North Lamar/Georgian Acres Neighborhood Plan Contact Team

From: Colin MacDougal, Realtor (512) 554-6151
Sent: Tuesday, June 05, 2018 6:22 PM
To: Meredith, Maureen <Maureen.Meredith@austintexas.gov>
Cc: Rye, Stephen <Stephen.Rye@ >; Past Chair <pastchair2.nlct@ reaganconstruction@</li>
Subject: Voting results by NLGACT regarding zoning change for Austin Suites Hotel

Hi Maureen,

The community of North Lamar / Georgian Acres supports Artesia's request for a change of zoning for their Austin Suites Hotel property on the I-35 service road. We would like to make it clear that we DO NOT support additional housing on the I-35 because it is better for commercial use than residential.

Since Austin Suites is an EXISTING facility and because the owner has agreed to assist the current residents (see below) and make a monetary contribution to traffic safety (to be held by Austin Parks Foundation), we as a community support the changes they have proposed.

At this time we would like to point the dire need for better access to bus service and a safe path to the Georgian Acres park for existing residential housing on the I-35 service road.

Colin MacDougal vice chair, NLGACT Contact Team

The wording of our vote is below:

1. tenant relocation package to be negotiated individually or collectively by tenants, no less than the initial offer from Artesia which includes (but is not limited to):

### For all tenants:

90-day official notice to vacate

• Provide tenant information packet to all residents including 90-day notification and access to relocation services and information.

• \$500 payment for moving and relocation expenses per unit

### For subsidized tenants:



- Moving expenses
- Temporary housing during remodel

• Right of first refusal to return to a remodeled unit if they meet program screening criteria

# 2. memo of understanding between Artesia and ECHO or comparable agency to provide case management for 20 units to be held affordable at 60% MFI (about \$40,000 annually for a family of two);

3. contribution to transportation safety improvements of \$50,000 from Artesia;

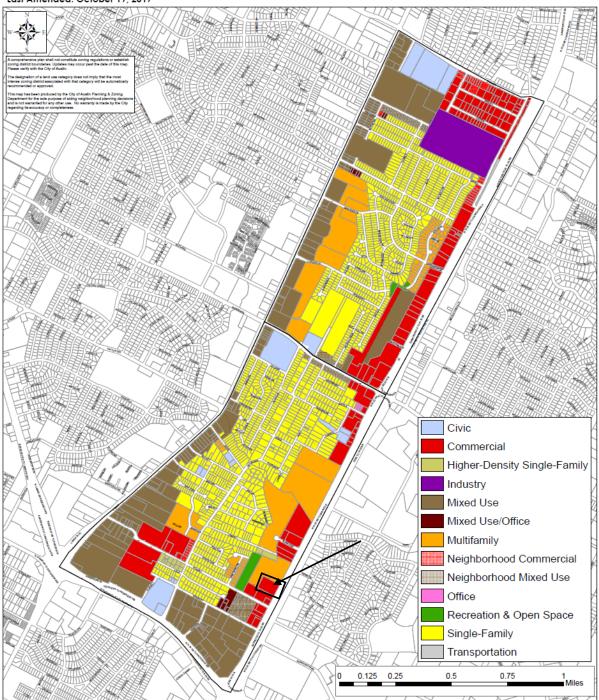
Additionally, the neighborhood team will use this opportunity to press for better mass transit access on the I-35 service road.



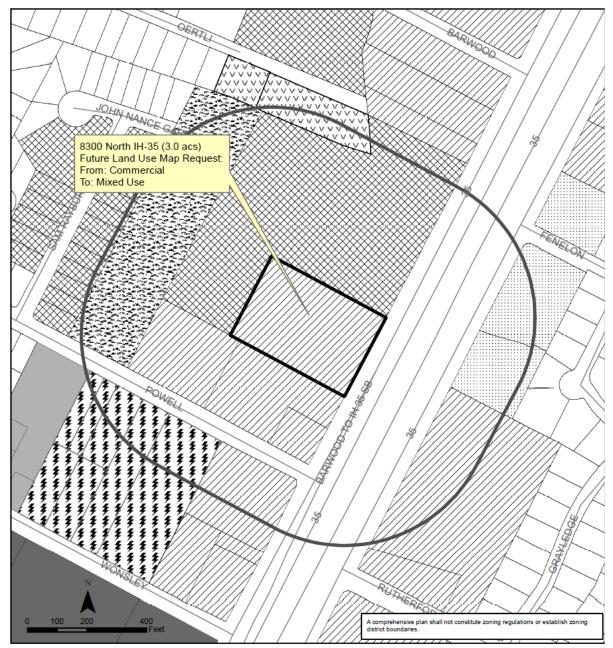


North Lamar Combined Neighborhood Planning Area Future Land Use Map

Plan Adopted: June 24, 2010 Last Amended: October 19, 2017







### North Lamar Combined Neighborhood Planning Area NPA-2018-0026.01

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.

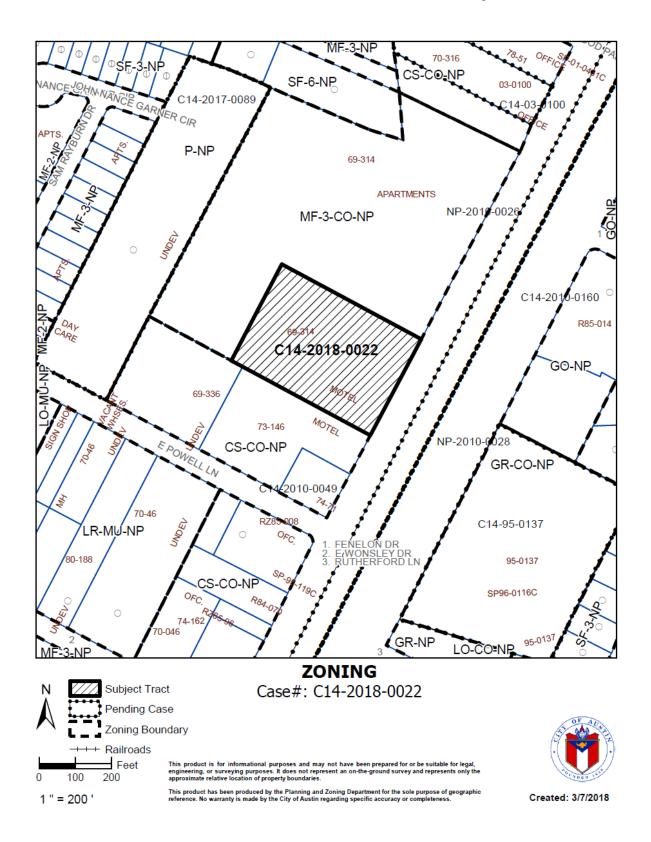
This product has been produced by the Planning and Zoning Department for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness.

City of Austin Planning and Zoning Department Created on 3/5/2018, by: meredithm

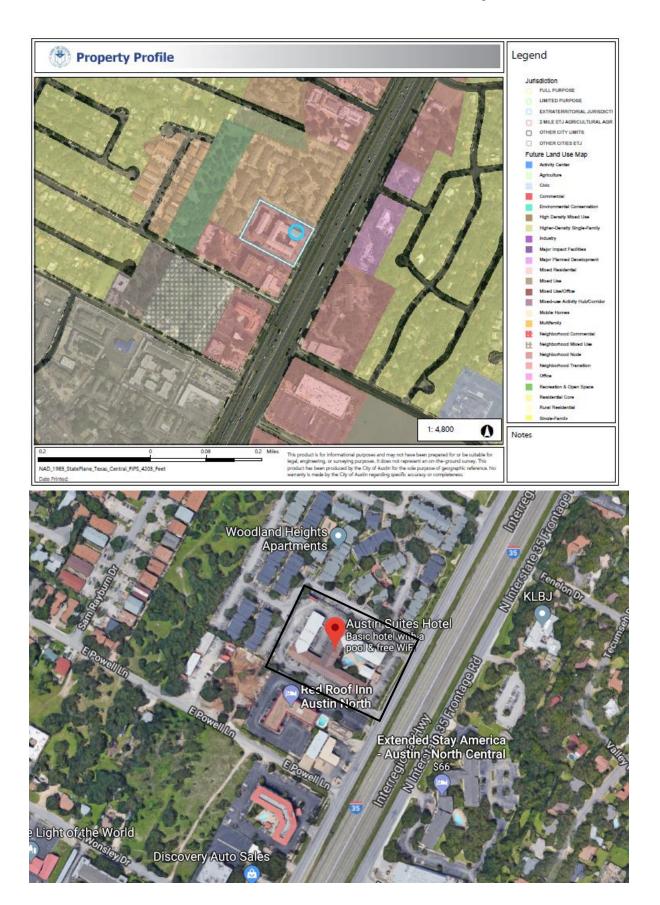
### Future Land Use



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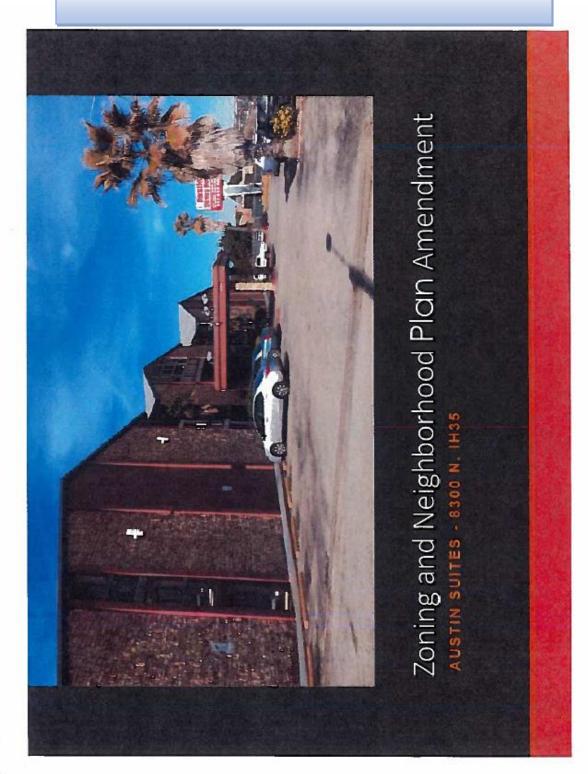


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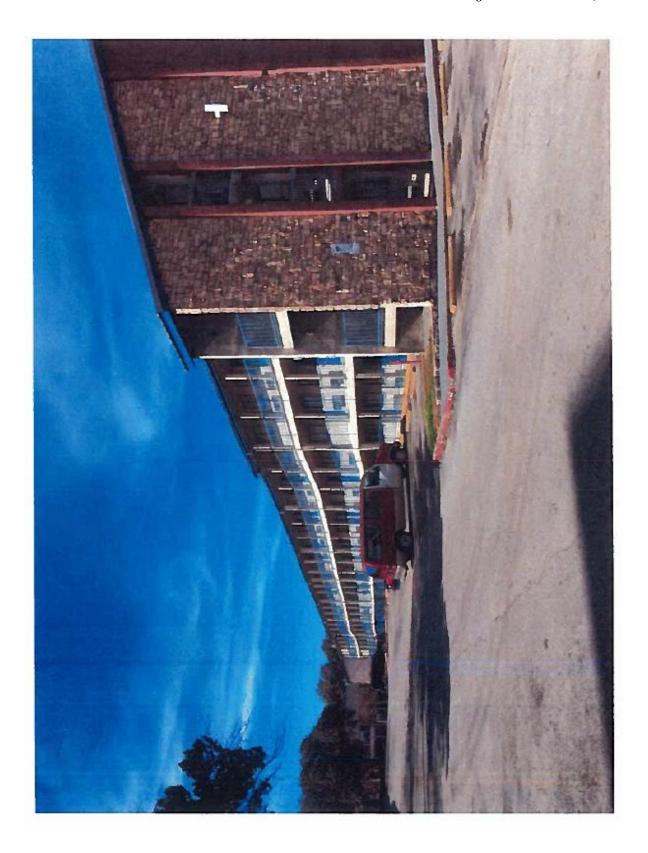


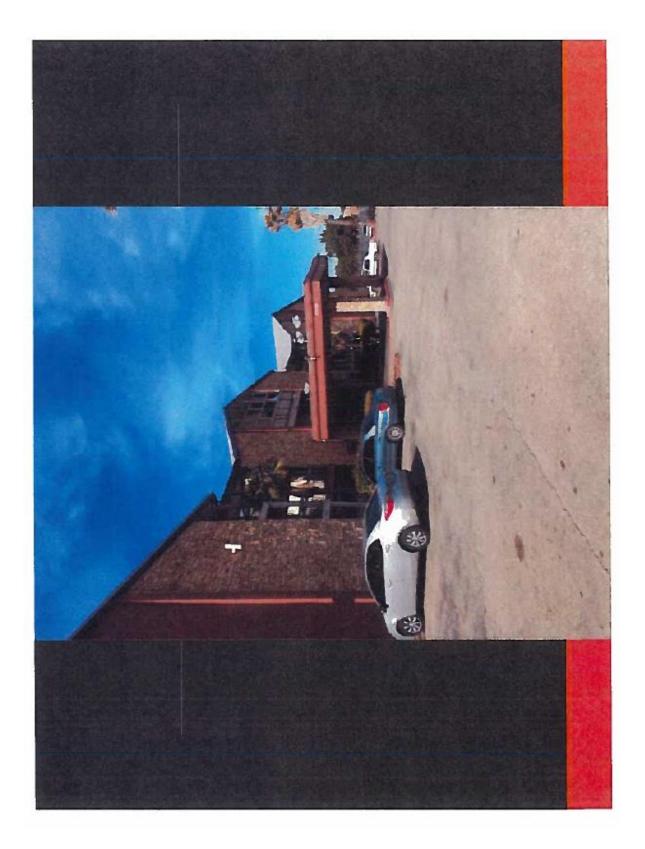
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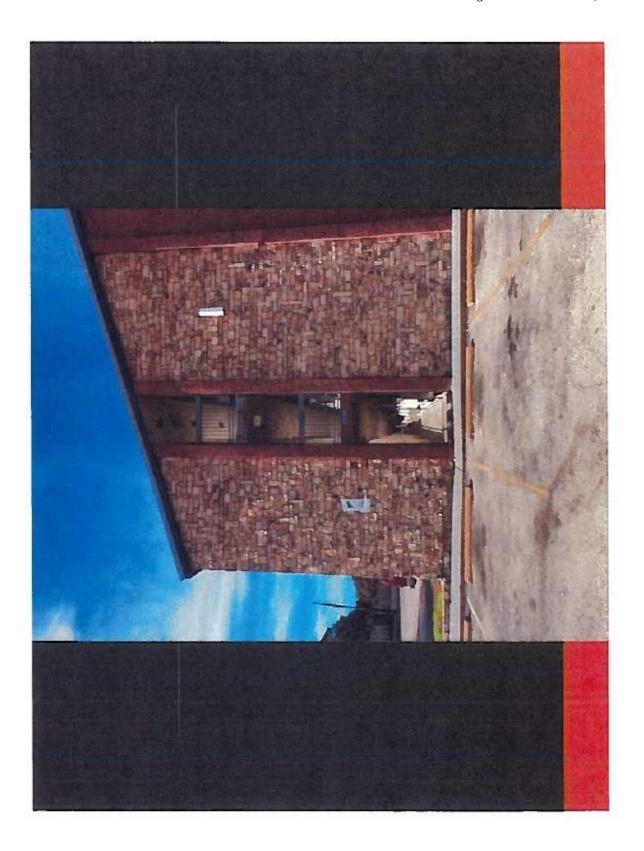
Presentation Made by Stephen Rye, the Applicant's Agent



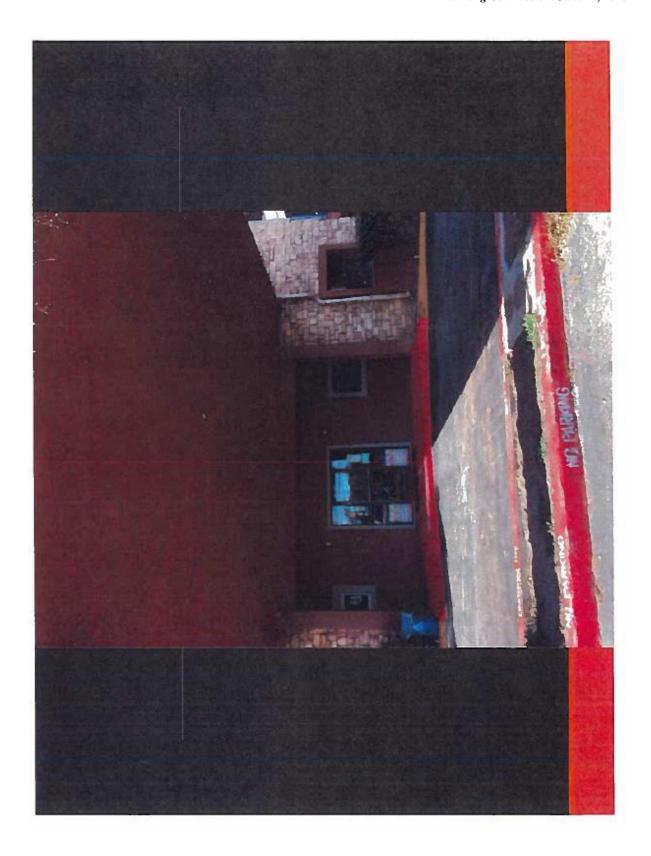




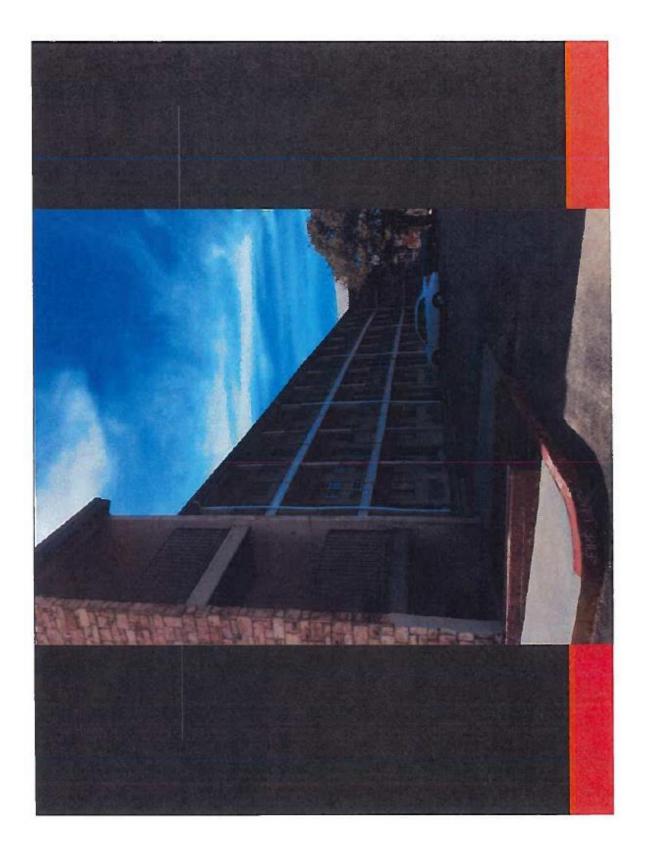








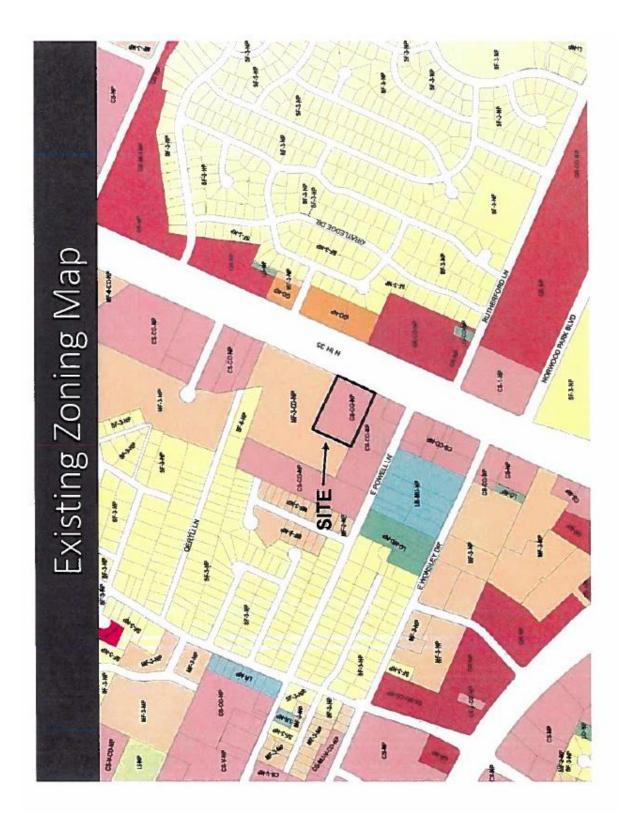


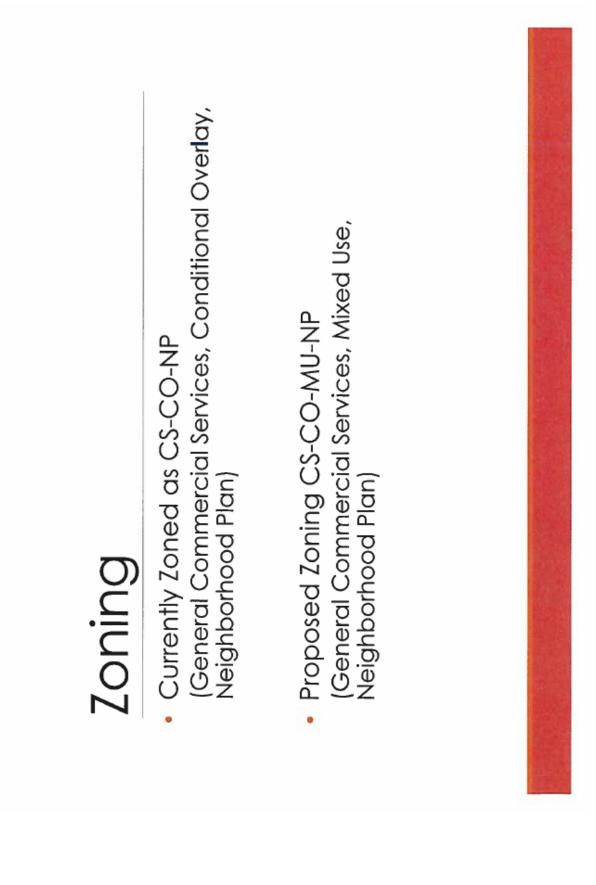


# **Existing Hotel Use Counts**

- 216 units
- Studio (w/ kitchen) 60 units
- 1x1 (w/ kitchen) 110 units
- 2x1 (no kitchen) 24 units
- 2x2 (w/ kitchen) 22 units

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Zoning, Conditional         Zoning, Conditional       Sound to conditional         Dyperty. If the existing hotel-motel land use ceases the use for a period of 90 days or more, a new Conditional Use term will be required to re-permit the use on the property.         A site plan or building permit for the property may not be development or uses of the property considered development and uses, generate traffic that exceeds 2000 trips per day.
Zoning, Condi Zoning, Condi Overlays Overlays Doverlays Permit will be required to re-per use for a period of 90 days or m use for a



- Renovate interior & exterior of property
- Remodel units for a multifamily use
- Landscape & property enhancements

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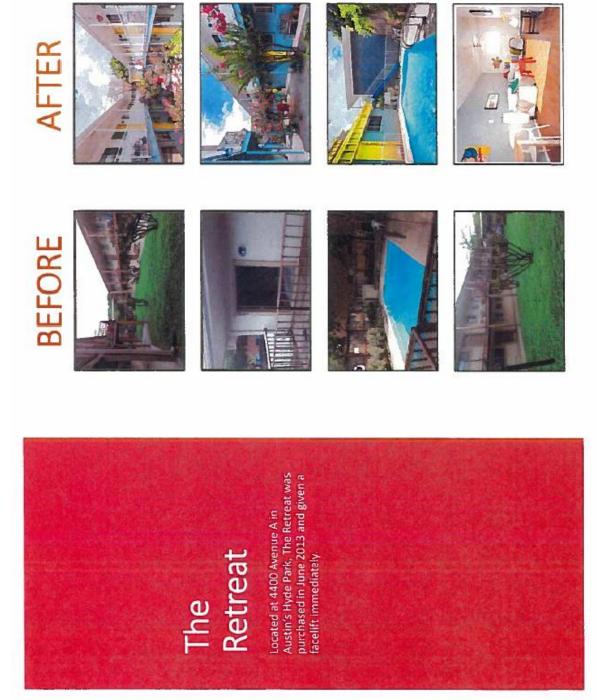












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AFTER

BEFORE





































































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