

Mayor and Council:

This letter from the South Central Waterfront Advisory Board (SCWAB or Board) is to request action by city leadership on items which are crucial to the successful implementation of the South Central Waterfront District. For the benefit of the new council members we would like to give you the following important actions taken by Council prior:

- City Council adopted the [South Central Waterfront Vision Framework Plan \(SCW Plan\)](#) on June 16, 2016.
- The SCWAB was established by [Council ordinance](#) in February 2017 and held its first meeting in July of 2017. Under the ordinance, the SCWAB is responsible "...to provide recommendations to the City Council regarding plan implementation."

Since then, the SCWAB has sent the following recommendations and letters to Council to advise on plan implementation:

- 2017, Oct 30: Recommendation to commence the [SCW Tax Increment Finance Study](#)
- 2017, Oct 30: Recommendation to commence the [SCW Public Improvement District Study](#)
- 2018, Feb 8: Recommendation to [approve 425 W. Riverside PUD with conditions](#). Those conditions included:
 - Commence and complete the SCW Tax Increment Finance Study within 180 days.
- 2018, Sept 17: Recommendation to fund consultant services to [complete the draft SCW Regulating Plan](#)
- 2018, Oct 25: As approved by the SCWAB at their 2018 October meeting, letter sent to Council regarding coordinating staff work to address the [SCW Economic Development Corporation recommendation](#)

The above actions by the SCWAB reflect their assessment since its formation on the higher priority implementation items.

Our request for action pertains to several if not all of the items which the SCW Plan outlines as "Next Steps" on pages 110-112 of the original plan. The SCWAB Finance Working Group recently studied the progress (or lack there-of), of the Next Steps outlined in the original plan. Attached to this letter is an "Implementation Worksheet" which was drafted by the SCWAB Finance Working Group as a result of this analysis. This document takes all of the Next Steps which were initially identified in the original plan and provides either a status update or the Board's view on what potential actions could be executed to complete the required task. A few notable items which the Board would like to call the Council's attention to are the following:

(SEE TABLE ON NEXT PAGE)

City Action (from original plan)	SCWAB Action Taken	Status/Possible Action	Additional Info
<p>Identify lead entity in City to coordinate efforts moving forward and assign lead person</p> <p>(SCW Plan implementation items 1 & 2, page 110. Background page 107, 108)</p>	<p>SCWAB agreed during its regular meeting in Feb 2019 to suggest council move forward with suggestion in "Status" column of this table.</p>	<p>Given the precedent set by other projects such as Mueller and Seaholm, the lead department to oversee all SCW work should be Economic Development, specifically, Redevelopment Services. A project manager with ED should be budgeted for and assigned to provide continuity to the project over its life-cycle.</p>	<p>The redevelopment of the SCW district will unfold over the next 20 years. The City must create a dedicated SCW project manager position and identify a lead department, with support staff as required, with responsibility and authority to plan, coordinate, and administer redevelopment and project delivery.</p>
<p>Create cross-departmental City team with assigned departmental points of contact</p> <p>(SCW Plan implementation items 1 & 2, page 110. Background page 107, 108)</p>	<p>SCWAB agreed during its regular meeting in Feb 2019 to suggest council move forward with <i>suggestion</i> in "Status" column of this table.</p>	<p>Current staff with intimate knowledge on the SCW efforts to create a list of the relevant departments. The City Manager's office should request that a Technical Advisory Group be formed, consisting of members of each of these departments. The board will give regular updates to the members of the TAG and vice-versa to facilitate timely and accurate decision making going forward.</p>	<p>The 14-point implementation strategy in the SCW Plan leads with <i>"The City Manager should identify a lead city department and staff to implement the SCW Plan..."</i></p> <p>Given its complexity, the project will need the input of multiple departments.</p>
<p>Develop a regulating plan</p> <p>(SCW Plan implementation item 11, page 111. Background on page 109)</p>	<p>2018, Sept. 17:</p> <p>Recommendation to Council to fund & reengage the financial consultant needed to complete the Regulating Plan.</p>	<p>Some parts have been written; not yet completed. Staff should continue working on parts which do not require any further external input and will update the SCWAB monthly on status of plan.</p> <p>Staff to draft a Scope of Work (SOW) based on information already obtained from other studies and information still required to complete all parts a Regulating Plan for the SCW.</p> <p>Council directs the City Manager to propose potential procurement and funding options to accomplish the defined SOW in the least amount of time possible.</p>	<p>Much like our density bonus programs, a regulating plan will provide the opt-in zoning for any private sector incentives (additional entitlements) and developer contributions (in-kind and cost sharing) for public benefits.</p> <p>To move forward, funding needs to be identified for engaging consultant services, and a lead department needs to be authorized to work with multiple departments and the SCWAB to complete this work.</p>

City Action (from original plan)	SCWAB Action Taken	Status/Possible Action	Additional Info
<p>Evaluate the feasibility of Tax Increment Financing in the SCW</p> <p>(SCW Plan implementation item 12, page 112. Background on pages 95,96,97,103. Also, SCW appendix, chapter IV)</p>	<p>2017, Oct. 30:</p> <p>Recommendation to Council to fund/commence the TIF Study.</p> <p>2018, Feb. 8:</p> <p>Recommendation to Council to approve the "Snoopy" PUD with conditions, which included that a TIF study be completed within 180 days.</p>	<p>1) Staff to draft a Scope of Work (SOW) based on information already obtained from other studies and information still required to complete all parts of a full TIF Study.</p> <p>2) Council directs the City Manager to propose potential procurement and funding options to accomplish the defined SOW in the least amount of time possible.</p>	<p>A Tax Increment Finance Study will help outline any future funding contributions by the city. This study will help the city understand its "affordability limits" as well as inform and help prioritize which capital improvement projects can be implemented. It is important to note that TIF funding provides the bulk of the public funds for public benefits in the original plan. Knowing the amount and timing of when these funds materialize (if ever) is essential to the District's viability.</p> <p>The TIRZ is the single most important source of public financing, which will be required for the City to be a player in cost-sharing for public-private partnership agreements which further the public realm and affordable housing goals of the SCW Plan.</p>
<p>Initiate Development Corporation / Authority Evaluation</p> <p>(SCW Plan implementation item 9, page 111. Background pages 107, 108)</p>	<p>2018, Oct. 25:</p> <p>Letter to Council urging cooperation and coordination of Economic Development Department efforts on crafting recommendations regarding an Economic Development Corporation.</p>	<p>1) Implement ED staff recommendation. *</p> <p>2) Council to request an update from City Manager/ED staff.</p> <p>3) SCWAB moves forward with exploring all options for governance structures and decides which best fits the needs of the SCWP. Sends recommendation to council for implementation.</p> <p><i>*Board was told an update to all Governance Structures/Options was forthcoming at Novembers meeting. Still awaiting update from ED.</i></p>	<p>Establish the district governance structure (e.g., Economic Development Corporation) to foster essential public-private partnerships implicit with the above two items. A municipal economic development entity will have authority to structure public-private partnerships agreements, commit public funding/financing (e.g., issue bonds against future TIRZ proceeds), and oversee execution of development projects in the district.</p>
<p>Refine affordable housing implementation strategy</p>	<p>Ongoing discussions at regularly scheduled Board meetings.</p>	<p>Staff and the board to reevaluate and update the implementation options for maximum affordable units in the SCW.</p>	<p>Our cities need for more affordable housing is a very well-known issue. The SCW Plan calls for a robust number of affordable units to be built in this district and surrounding areas.</p>

Many of the other Next Steps rely on the completion of the items in the table above in order for the entire concept of the South Central Waterfront to become a reality. However, of critical importance are the TIF Study and formal adoption of a Regulating Plan, neither of which have been completed; so we are stalled.

The Board's assigned support staff are doing everything they can to assist the Board but management level staff from key departments have not been as cooperative, supportive or as forthcoming as is needed. We have repeatedly asked for management level staff for updates on almost all of these issues and staff either does not show up, or they give presentations containing limited information.

Until recently, it was the Board's understanding that when CodeNext was stopped, so was the money to finish the two critical items mentioned prior. However, staff informed us at last month's meeting of the SCWAB that the money to complete these items could be in the operating budget and existing contracts are in place which could cover the potential scopes required. This is unacceptable. We have been stalled for months when we did not have to be. Now, we are being told we must wait until the City Manager announces his future plan for the Land Development Code to potentially have some resolution to these issues, yet there is no date for this announcement and no guarantees that this will solve the current issue of budget to complete the TIF study and the Regulating Plan.

In closing, the South Central Waterfront Initiative promotes a bold vision and a set of recommendations, tools, and programs to guide redevelopment for this area over the next 20 years. The goal is to ensure that, as the area inevitably changes, every increment of change will contribute to making a great new district that:

- Establishes a lively, safe, and attractive pedestrian environment.
- Expands open spaces and creates great public places.
- Enhances connections to and along the waterfront.
- **Includes 20% new housing units as affordable.**

Every day that passes without any resolution to the critical issues stated in this letter, more and more parcels in the district come under the control of new owners or start the process of redevelopment and the City of Austin loses the potential for those tax revenues to be used in support of the plan.

We, as a board, can not solve this without the Council's assistance so we are once again asking you to authorize budget and instruct staff to do what needs to be done to complete this work.

Respectfully,

Members of the SCWAB

Brooke Bailey, Chair

