

DRAFT MEMORANDUM

To: Sandra Harkins
From: Darin Smith
Subject: Summary of Stakeholder Interviews for the East 11th and 12th Street Development Strategy; EPS #21028
Date: January 26, 2012

Introduction

During the week of September 21st, Economic & Planning Systems, Inc and other project consultants met with various stakeholders of the 11th Street and 12th Street Corridors for one-on-one interviews. These individuals included property and business owners in the corridor, as well as members of neighborhood associations, business interest organizations, city boards, church congregations, development entities (both non- and for-profit), as well as cultural foundations. Over three days, we were able to meet with approximately twenty individuals from a variety of perspectives who all ultimately had the same motivation and goal: to see the community realize its full potential by developing according to the plans established over the past 15 years.

While the backgrounds were diverse, most of the viewpoints expressed during these interviews were more similar than different. Below is our summary of relevant comments made during our initial fact-finding meetings.

Summary of Stakeholder Interviews

- A common concern expressed during these interviews was the uncertainty around the adequacy of the infrastructure. When asked about the specific upgrades needed, no one we spoke with had a clear understanding of what was needed. Over time, many rumors and instances of hearsay have developed surrounding this issue. Thus far, it appears stakeholders have not formed a definitive, reliable source for clarification and such information should be a priority outcome for the Development Strategy. A developer said the infrastructure is deficient but this issue is common throughout the City of Austin and not unique to this area. He also said getting the City to fund an infrastructure project would be an important signal to developers that the climate is friendly to those who want to invest in the area.

The Economics of Land Use



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- Many of the stakeholders do not feel there is a champion for this neighborhood in City government. Residents of East Austin have seen the success the City has attracting investment and development to the Austin Area so they are surprised that more than 10 years have gone by with slower than expected development on 11th Street and no development on 12th Street. One stakeholder believed it was a lack of political will that was hindering growth in the corridor. He stated that, compared to other projects in the City, the financial investment this corridor needs is small, and that the City does not make this area a priority.
- If pressed to pick a champion for the neighborhood, stakeholders see the need for one or more Councilmembers to embrace the area as a priority in addition to the role played by Neighborhood Housing and Community Development (NHCD). However, many people were displeased with NHCD's role in the development of the corridor. While NHCD is responsible for the corridor, its primary mission of providing affordable housing for the City of Austin is contradictory to the many stakeholders' vision for 12th Street. Many stakeholders would like to see the corridor become more of a business location with mixed-income housing, as opposed to strictly affordable housing, as only a component of overall development. Some of the stakeholders we spoke with would prefer to see the Economic Growth and Redevelopment Services Office (EGRSO) take a leadership role in development of the 12th Street corridor because focus of that office is on commercial development as opposed to housing. One non-profit developer thought they would not be the best solution for this community because, while they are successful at accomplishing economic growth, they are not typically sensitive to neighborhood concerns.
- Stakeholders expressed concern that too many organizations are involved in the development process in the corridor: ARA, URB, NHCD, the City, etc. It is hard and time-consuming to maneuver the system to get anything developed because each entity must approve all plans. There is a need for a streamlined procedure with a designated person or office at the City to help simplify the process. If such a process cannot be developed, they suggest that the City combine or eliminate organizations that have overlapping purposes. Some stakeholders also mentioned the need to clearly identify the approved uses for parcels in the corridor so that both the residents and the developers have a clear idea of what can be developed.
- Dispose of City Land. Most of the city-owned land was purchased with Federal money and comes with many restrictions for development including land use and financing limitations. The City did not develop it within a timely manner, and residents do not trust the City to develop the properties in the ways they want. There was mention of a mismanagement of funds. Others felt the City spent too much on projects for 11th Street and now there is no funding for projects on 12th Street.
- A rental or rent-to-own component could be successful in the neighborhood. An affordable housing developer said he has a waiting list, a for-profit developer said the rental-market is strong now, and another developer believed that a rent-to-own development would allow young professionals to get emotionally invested in the area before being financially capable of owning their own home.
- Those active in the community want to be sensitive to gentrification and displacement. Some residents wanted to explore property tax relief for those who have lived in the community for years as part of the development strategy.

- Those who have lived in the community for years want development to preserve and promote the local businesses that are already present, particularly the African American-owned businesses. The leaders of African American heritage organizations want to preserve the history of the neighborhood while adapting to the current needs of the broader community.
- Most stakeholders identified a need for healthy eating options like a grocery store and health-conscious restaurants.
- Public safety is a problem that residents and business owners would like addressed. There was no consensus on what action should be taken to fix the crime in the neighborhood, particularly at the corner of 12th and Chicon Streets. Some stakeholders wanted to see cameras installed, while others felt cameras would be an infringement of privacy. There were stakeholders who expressed an interest in a No Sit, No Lie ordinance in this location, but others believed that would simply move the crime instead of fixing it.
- A few stakeholders want to see more services provided for the poor and needy in the community. They want to see the crime problems addressed instead of simply moved to another part of the City. They expressed an interest in developing facilities to provide job training and transitional support within the corridor.
- Most agree that the neighborhood should be mixed use. Many stakeholders envision mixed-use development for all new buildings in the corridor while one thought mixed-use should be horizontal; it would be easier for developers to finance mixed uses next to, instead of on-top of, each other.