

# Memorandum

To: City Council Members, City of Austin      Date: June 16, 2016

From: Clarke Heidrick, Board Chair of Austin Geriatric Center, Inc., a 501(c)(3) nonprofit entity ("AGC")      CC: Margaret Shaw, Jerry Rusthoven, Chuck Lesniak, Betsy Spencer  
David Stauch, Project Manager for AGC

Re: RBJ Redevelopment and Request for Amendment to Festival Beach Waterfront Overlay

On June 23, 2016, the City Council of the City of Austin will consider an amendment to the Festival Beach Waterfront Overlay Ordinance that will permit Austin Geriatric Center (AGC) to fulfill its goal of rehabbing the existing Tower into approximately 238 senior affordable units and constructing another approximately 253 senior affordable units. This amendment is supported by the East Cesar Chavez Neighborhood which voted in favor of support at its meeting on June 15, 2016.

AGC's goal of doubling the affordable housing for low income seniors at this prime location results from a master plan adopted five years ago by a strategic planning committee that consisted of AGC board members, neighborhood leaders, other community leaders and City of Austin representatives. The initial plan adopted by the planning committee assumed 78% impervious cover and assumed that the proceeds from the sale of the excess land were required to finance the approximately 500 units of senior affordable housing at this location.

## EXECUTIVE SUMMARY

The City Council should approve the amendment to the Festival Breach Waterfront Overlay Ordinance, as drafted and revised by staff, because the amendment will have no negative environmental impact on the Lake, the amendment is required in order to create a financially feasible structure to support approximately 500 units of housing for low income seniors, and the amendment allows AGC to meet the goals of Imagine Austin at this prime location near downtown.

This memo provides background information and an analysis of the issues for your consideration:

## BACKGROUND

The Rebekah Baines Johnson (RBJ) Tower, which was built in 1972 and now contains 245 units, is owned by Austin Geriatric Center, Inc. (AGC) – a 501c3 nonprofit - the sole mission of which is affordable housing for seniors and disabled people. The construction of the RBJ Tower was financed under HUD's Section 236 program; AGC paid off the mortgage in 2013. In the early 1980s, HUD approved a Section 8 rental assistance contract for 100 of the units – 80 studios and 20 one-bedrooms—for people at or below 50% Area Median Income (AMI). The only existing income

restrictions at this property today are the 100 Section 8 vouchers. Today, AGC could rent the remaining 145 units at market rates, but it has chosen not to do so in furtherance of its non-profit mission.

The RBJ Tower sits on 17.8 acres of land, several blocks north of Lady Bird Lake, under the Festival Beach Waterfront Overlay. This waterfront ordinance was developed in 1986 and allows only 40% impervious cover (IC). Based on our reading of the Waterfront Overlay Task Force Report (2008), we believe that this impervious cover limitation was desired to avoid a future disconnect between the neighborhood to the north (East Cesar Chavez) and the Lake.

In 2010-2011, AGC formed a strategic planning committee, which included then current city council members, city staff, community leaders, neighborhood representatives, and members of the AGC board. More than thirty people served on the committee, including three existing city councilmembers, one former city councilmember, and two city staff members. The committee developed a medium density "urban village" concept to include nearly 500 senior units and more than 300 market-rate units, plus retail and commercial space. This plan was selected because it reflected the appropriate balance between the needs of AGC (doubled the number of senior affordable units), the neighborhood (medium density honoring compatibility standards, adding mixed use) and the City (preserving and adding affordable units in an urban location, enhancing the quality of life for this neighborhood, meeting the objectives of Imagine Austin). This plan was presented and approved by the planning committee, the RBJ board, and the East Cesar Chavez neighborhood association. A copy of the ECCNPT approval letter is attached.

After the plan was approved, AGC formed a selection committee to interview and select a developer to execute the plan, the selection committee included the president of the East Cesar Chavez Neighborhood Association (Ken Johnson), a resident of RBJ (Jo Staton), a local developer not involved in the project (Tom Terkel) and members of the AGC board. The selection committee received several proposals and selected a developer group comprised of DMA Development, Momark Development, and Southwest Strategies. This team has been working for the last two years in fine tuning the approved plan to address issues that were not fully considered in the conceptual planning stage, such as the 54 heritage trees on the site and compatibility issues. The development team also had to consider redesigning the senior affordable housing component to make sure that both the new construction units and the Tower units are within a short walking distance to the shared garage. Finally, the team had to devise a financing plan. In order to deliver 500 units of affordable housing at this prime location, the team structured the transaction so that AGC would sell the remaining land not needed for the senior affordable housing, and use the proceeds from this land sale to fill the funding gap on the affordable housing component.

The development team also worked closely with the East Cesar Chavez Neighborhood Planning Team during this time period, as AGC has been a member of this neighborhood for more than 40 years. In 2015 alone, AGC and its representatives attended and provided updates at 7 meetings throughout the year, and 1 additional meeting for RBJ residents, to which the ECCNPT was invited. In March 2015, ECCNPT approved AGC's request for an amendment to the Future Land Use Plan and for an amendment to the zoning that would allow a 60-foot height, based on our proposed site plan which included 78% impervious cover. That letter is attached. In addition, the East Cesar Chavez Neighborhood voted on June 15, 2016 to support the proposed ordinance increasing the impervious cover limit applicable to the RBJ site.

The team proposed a plan with 78% impervious cover at that time, because, over the course of the entire conceptual and pre-development planning phases, the team was proceeding under the assumption that the adjacent parkland to the east (which was previously owned by AGC and deeded to the City of Austin as parkland) would be included in the impervious cover calculation based on early discussions with city staff. However, as AGC prepared to submit its site plan, the City of Austin legal department advised that including the parkland in the site plan for purposes of impervious cover would be a "taking" and therefore impermissible.

In December 2015, Council Member Renteria proposed an amendment to the Festival Beach Overlay which would allow this development to continue as proposed, which was considered by the full council on December 17, 2015. After some discussion, Mayor Pro Tem Tovo requested that AGC work with staff to ensure that water quality was closely considered as a part of this endeavor.

At that point, the team reconsidered the site plan and the economics of reducing the impervious cover further, and determined that 68% was the percentage of impervious cover needed to make the affordable housing component economically feasible. From December 2015 to the present, AGC and its team worked with the City staff in fulfilling Mayor Pro Tem Tovo's request to ensure adequate water quality. To conclude that issue, AGC presented to staff an engineering plan that not only meets the water quality standards associated with 68% IC, but exceeds these standards by 36%. This is reflected in the draft ordinance and AGC agrees with it.

## **ISSUE**

Why should the City Council approve the amendment to the Festival Beach sub-district of the Waterfront Overlay that would allow 68% impervious cover?

## **ANALYSIS**

### *No Negative Environmental Impact*

There will be no negative impact on water quality resulting from this increase of impervious cover from 40% to 68% because AGC has agreed to provide 136% of the required water quality measures which equates to treating 100% of our own flow plus all upstream flows coming through our site. We are aware of no other project in urban Austin that achieves this level of water quality.

Impervious coverage is not a water quality issue at this location. Having a higher percentage of impervious cover downstream, as in this location, is more appropriate than having high percentages of impervious cover upstream. "Impervious cover limits . . . allow for open space between structures to afford the opportunity for community access to the lakefront and scenic vistas for the community to the lake," according to the Waterfront Overlay Task Force report December 18, 2008. Based on our reading of this report, the City of Austin has 16 sub-districts within the Waterfront Overlay with a diversity of impervious cover requirements outside of the setback areas. Indeed, 10 out of the 16 have no additional impervious cover requirements beyond what is regulated in the base zoning or below 25% gradient, and includes the South Lakeshore (directly across the Lake from the RBJ campus), Rainey Street (directly to the west of the RBJ campus), Lamar, which is a comparable distance to downtown from the west, and Butler Shores, which has mostly parkland but also parcels that zoned and built for commercial, multifamily, and vertical mixed use. Of the 6 remaining, the only other ones that have a restrictive impervious cover

requirement are Balcones Rock Cliff, a large lot single family area, Deep Eddy, and Zilker Park, and those areas are far from downtown and, in the Zilker Park case, contain a large percentage of public parkland compared to private property. Please see the attached exhibit for a map showing the waterfront sub-districts.

Here, the base commercial zoning on this site would allow for 95% impervious cover if not for the limitation in the Overlay Ordinance. Buildout of the 95% impervious cover limitation (when zoned commercially) is achieved in the 10 other districts within the Waterfront Overlay that do not have specific impervious cover requirements beyond base zoning and above 25% gradient. Here, AGC is requesting 68% impervious cover, which is well short of 95%, to develop the urban village environment that all the stakeholders have approved repeatedly. This is a reasonable request given that AGC's property is more than 400 feet from the waterfront, the equivalent of the distance between Lady Bird Lake at Congress Avenue and 4<sup>th</sup> Street.

Please consider that when first crafted in 1986, the original intent of the Waterfront Overlay Ordinance was to have the least restrictions in the urban core and gradually place more restrictions on development farther east and west of downtown. Over the last 30 years, the urban core has decidedly moved in all directions, but most recently to the east. RBJ is a decidedly urban area and the applicable regulations should match, given the treatment of impervious cover in historically urban areas (100% in downtown/CBD, which is less than one half mile away from RBJ).

#### *Impervious Cover Increase is Required to Fund the Affordable Housing*

AGC's commitment to doubling the senior affordable housing at this location is ambitious and will require a significant commitment of resources. Because East Austin sites rarely score competitively under the very competitive 9% tax credit program, AGC will only be able to obtain 4% housing tax credits which result in a much lower amount of tax credits per unit and therefore significantly less private equity from investors.

The other challenge is that the Tower, which is in dire need of major rehabilitation, is fully occupied. In order to renovate the Tower, AGC first must build the 253 units of replacement housing on the site, relocate the existing Tower residents into the new housing, and then renovate the Tower. This total project, which includes a gut rehab of the Tower, 253 newly constructed units, and a large parking structure to serve all senior residents, is estimated to cost about \$80M. AGC has made these estimates based on two very similar developments that DMA has either completed or is constructing currently.

The sources to fund this large development cost are conventional debt, tax credit equity, deferred developer fee, a seller finance note for the Tower, RHDA funding from the City of Austin, and the proceeds from the sale of the excess land. AGC's current request for RHDA funding is \$7,000,000 and the estimates for the sale of the excess land are \$11,768,000 based on market conditions at that time. The real value of the excess land will be determined by an appraisal at the time of sale, which will be approximately a year from when this issue about impervious cover is resolved. The impervious cover limitation has a direct impact on the land value, and in this case, will have a direct impact on gap funding we would request from the City of Austin.

Here are three illustrative examples:

At 40% impervious cover, AGC has determined that it can build the replacement units and renovate the Tower, with the sources listed above, but the land proceeds and gap funding needed would be:

Land sale proceeds: \$3,740,000

Request to City of Austin for gap funding: \$15,028,000

At 58% impervious cover, AGC has determined that it can build the replacement units and renovate the Tower, with the sources listed above, but the land proceeds and gap funding needed would be:

Land sale proceeds: \$9,768,000

Request to City of Austin for gap funding: \$9,000,000

At 68% impervious cover, AGC has determined that it can build the replacement units and renovate the Tower, with the sources listed above, but the land proceeds and gap funding needed would be:

Land sale proceeds: \$11,768,000

Request to City of Austin for gap funding: \$7,000,000\*

This \$7,000,000 ask to the City of Austin is on the high end of what a reasonable request would be for gap funding. Anything more than this amount, which would directly result from fewer land sale proceeds due to restricting impervious cover below 68%, would threaten the development's financial feasibility.

In sum, the development plan has been reduced from 78% impervious cover to the current requested 68% impervious cover, and that reduction is considered by AGC to be “reduced by the maximum extent feasible.” Please note that under the current 40% IC, approximately 600 market-rate units can be built on the site, as of right, with no requirement for any affordability. AGC is voluntarily choosing to redevelop the site in a way to maintain affordability, instead of selling the entire 17.8 tract to a market-rate developer and using the sale proceeds to build new units for the RBJ seniors at another location. Under this request, an increase of 28% in impervious cover will result in at least 450 affordable units for seniors – at a location that is very close to services and transportation. This is a major benefit for a city in need of 40,000 affordable units.

The City of Austin's Neighborhood Housing and Development has reviewed this project and indicated that it will have a positive impact on the City's various policy initiatives. Please see attached Affordability Impact Statement dated May 2016 and signed by Betsy Spencer.

Please note that the original draft of the ordinance amendment has aggressive income restrictions that would present a major financing challenge for the AGC team, and such income restrictions have been the subject of negotiation with city staff in the last week. AGC's current proposal is to include the following commitment to income targeting in the amendment:

255 rental housing units that serve residents earning at or below 60% of area median income;

150 rental housing units that serve residents earning at or below 50% of area median income;

45 rental housing units that serve residents earning at or below 30% of area median income.

This provides a total of 195 units of deeply targeted housing at 30% and 50% AMI levels as opposed to the 140 units at 30% AMI 0 units at 50% AMI proposed in the original draft of the amendment. AGC is committed to providing an individual rental subsidy to any household who lives in a 50% unit who is rent-overburdened, which means that household pays more than 35% of its income in rent.

Please see the draft amendment with the proposed affordability language attached.

### *This Development Meets Goals of Imagine Austin*

In 2013, Austin City Council unanimously supported and approved *Imagine Austin* as the master plan for our City. As conceived, the RBJ project soundly addresses the key guiding principles and action items of the Land Development Code Advisory Group, who is charged with guiding the Code Next process in order to translate the goals of *Imagine Austin* into reality.

1) *Natural & Built Environment*: The project's environmental benefits include preserving and enhancing many heritage trees, providing 136% water quality (assuming 70% IC), allowing for short commutes to the nation's largest urban employment core, and achieving a compact footprint (17 acres versus the suburban single family equivalent of 280 acres).

2) *Compact, Accessible & Affordable*: The project will provide at least 450 units for low income seniors at or below 60% MFI, with a large percentage of units at 30% and 50% MFI. Further, the project contemplates small service retail designed to serve the neighborhood and RBJ residents so that people do not need to leave the neighborhood to get critical services like medical, dental, and daily need foods. This will be a neighborhood, not an entertainment district like Rainey Street.

3) *Transportation Improvements*: At this location, RBJ residents can walk, ride, or bike downtown without getting IH 35, Mopac or any of the overburdened north/south corridors like Lamar, Congress, Guadalupe, and South First. There is a bus stop at the site that current residents already use regularly and will be incorporated into improvements.

4) *Economic Sustainability*: At close to \$130mm in total value, this project greatly helps the "Strongtowns" challenges of our low-density city. As you are aware, Austin is considered one of the least dense, most sprawling cities in the country. That form of low-density development raises our city's obligations and, over a long term, places big financial challenges before us. By putting these residents compactly near downtown's major employment base, we are adding to the tax base with almost no increase in services or infrastructure.

### CONCLUSION

The City Council should approve the amendment to the Festival Beach sub-district Waterfront Overlay Ordinance, as drafted and revised by staff, because the amendment will have no negative environmental impact on the Lake, the amendment is required in order to create a financially feasible structure to support approximately 500 units of housing for low income seniors,

and the amendment allows the AGC to meet the goals of *Imagine Austin* at this prime location near downtown.

## FREQUENTLY ASKED QUESTIONS

### 1. Why does the RBJ Redevelopment need increased impervious cover?

AGC is a non-profit that plans to fund its 500-unit senior affordable project by selling off the part of its 17.8-acre tract of land that it doesn't need for the senior housing. Higher impervious coverage increases the value of the land because more can be developed. At 68% impervious coverage, AGC will receive an estimated \$11.7 million for selling the excess land. At 40% impervious coverage, AGC would only receive an estimated \$3.9 million. This means that going from 68% impervious coverage to 40% impervious coverage would create an additional funding gap of almost \$8 million dollars. AGC has already requested \$7 million from the City of Austin. If it loses the sale proceeds from the ability to sell the excess land, AGC will need to request \$15 million. While AGC will apply for other foundation money to close the gap, there is not another major funding source outside of the City of Austin to take this \$70M transaction from infeasible to feasible, in the event that AGC loses this \$8 million in sale proceeds.

### 2. Why can't AGC accept 50% or 55% impervious coverage?

Every percentage decrease in impervious coverage increases the funding gap by an estimated \$200K. As AGC is already at the maximum end of a reasonable request to the City of Austin for gap funding, every percentage decrease of impervious cover jeopardizes the financial feasibility of the project, and specifically the Tower renovations, since that is the last phase of the redevelopment. AGC cannot partially renovate The Tower that demands significant repair inside and out, top to bottom.

Additionally, at anything less than 68%, AGC has to sacrifice its plan, which was developed and approved by a Strategic Planning Committee—comprised of more than 30 members, which included city council members, city staff, community leaders, and neighborhood representatives—and was approved by the East Cesar Chavez neighborhood group. If AGC is allowed to build as planned, the development will be a comprehensive, collaborative urban design effort that meets all 6 pillars of the City's *Imagine Austin* – the City's vision for growth in Austin as a compacted and connected city. Removing parts of this plan would, simply put, disregard the results of an extensive and collaborative planning effort.

### 3. What happens if the appraisal reflects a higher value for the land at the time of sale?

If AGC receives proceeds from the sale of the extra land that is significantly in excess of what is currently projected, AGC will use those extra proceeds in one of two ways, and perhaps even both: 1) AGC will use those extra funds to close the funding gap to complete the new construction replacement housing and the Tower renovation. This may or may not result in a reduced request for gap funding from the City of Austin depending on what the final construction costs are; and/or 2) AGC will use any additional funds over and beyond what it needs to complete construction to fund a resident rental subsidy fund. AGC has committed to provide a need-based subsidy to any existing resident (residents that live at the Tower as of 1/1/2017) so that they pay no more than 30-35% of their income in rent. In this way, the project will not displace any existing residents.



4. Why is AGC depending on receiving money from a source that requires a change in current code?

The plan originally developed in collaboration with several members of the city council and staff included 78% impervious cover. AGC has since revised the plan to save more than 37 heritage and 17 protected trees and to abide by compatibility standards. Still, the assumption made at the planning stage was that the neighboring parkland could be included in the impervious calculation, which would have allowed the plan as adopted at 78%. A more recent interpretation by city staff indicated that this approach would not be acceptable, because it would be considered an impermissible taking. This more recent interpretation has forced AGC to request this increase in the form of an amendment to the Waterfront Overlay ordinance, and its efforts to reduce impervious cover from 78% to 68%.

5. Since AGC is selling its land, what controls will AGC have over the neighboring developments?

The land buyers can only build to the maximum height and impervious coverage as determined by the ultimate entitlements. AGC will also place development restrictions on the overall development (for example, architectural standards) so that the community looks consistent. Finally, AGC and the other members of the selection committee selected local developers that its trusts to carry out AGC's vision.

6. Will this set a precedent for future projects?

The amendment ordinance is drafted so that only parcels of 15 acres or greater that are adjacent to City Parkland can benefit from the increase of impervious cover and then only when that development contains an aggressive amount of affordable housing and water quality features. With regard to potential precedent setting for other sub-districts, 10 out of the 16 sub-districts don't have any impervious cover restrictions beyond base zoning and below 25% gradient, so there is no potential for precedents in the majority of sub-districts. In the other six sub-districts, perhaps the City would look to this amendment when considering impervious cover increases, but there are only three sub-districts which have lower impervious cover requirements than what we are proposing. Further, those tracts are primarily parkland and/or large lot single family, have very little if any developable private land.

7. Does impervious coverage adjacent to the Lake negatively impact water quality?

Impervious cover restrictions were originally placed on the Festival Beach sub district of the Waterfront Overlay in 1986 "to promote the harmonious interaction and transition between urban development and the park land and shoreline of Lady Bird Lake and the Colorado River." This indicates that impervious cover limits are not related to water quality. Indeed, out of the 16 total sub-districts of the waterfront overlay, only six further restrict impervious cover, which covers only a minority of the Lady Bird Lake waterfront area. In the remaining 10 sub-districts, the majority of Town Lake waterfront, developers can build up to the full impervious cover limitations set by each parcel's base zoning, which in some cases is 100% (if zoned CBD). Here, AGC, at a location that is 400 feet from the Lake, which is equivalent to the distance between the Lake and 4th Street at Congress, is only requesting 68%.

Still, even though impervious coverage adjacent to the Lake does not negatively impact water quality, AGC commits to using engineering methods to treat 136% of the water coming off of our

site (assuming 70% impervious cover). In layman's terms, AGC will not be polluting the lake from our site, and AGC will be contributing to the environment by treating polluted water coming from upstream.

8. Isn't impervious coverage bad for the environment in other ways?

Density in the appropriate areas, as in this case close to downtown, is actually better for the environment. Locating residents downtown creates opportunities to ride, walk or take the bus instead of relying on cars. Footprints for dense development actually result in less impervious cover in terms of surface area than in a more traditional suburban environment. For example, here, 17 acres of urban village development is the equivalent of 280 acres of suburban single family development.

9. How is this plan compliant with the goals of *Imagine Austin*?

As conceived, the RBJ project soundly addresses the key guiding principles and action items of the Land Development Code Advisory Group, who is charged with guiding the Code Next process in order to translate the goals of *Imagine Austin* into reality.

- 1) *Natural & Built Environment*: The project's environmental benefits include preserving and enhancing many heritage trees, providing 136% water quality (assuming 70% IC), allowing for short commutes to the nation's largest urban employment core, and achieving a compact footprint (17 acres versus the suburban single family equivalent of 280 acres).
- 2) *Compact, Accessible & Affordable*: The project will provide at least 450 units for low income seniors at or below 60% MFI, with a large percentage of units at 30% and 50% MFI. Further, the project contemplates small service retail designed to serve the neighborhood and RBJ residents so that people do not need to leave the neighborhood to get critical services like medical, dental, and daily need foods. This will be a neighborhood, not an entertainment district like Rainey Street.
- 3) *Transportation Improvements*: At this location, RBJ residents can walk, ride, or bike downtown without getting IH 35, Mopac or any of the overburdened north/south corridors like Lamar, Congress, Guadalupe, and South First. There is a bus stop at the site that current residents already use regularly and will be incorporated into improvements
- 4) *Economic Sustainability*: At close to \$130mm in total value, this project greatly helps the "Strongtowns" challenges of our low-density city. As you are aware, Austin is considered one of the least dense, most sprawling cities in the country. That form of low-density development raises our city's obligations and, over a long term, places big financial challenges before us. By putting these residents compactly near downtown's major employment base, we are adding to the tax base with almost no increase in services or infrastructure.

cc: AGC Board and Staff  
Mary Lou Adams  
Sarah Andre  
Art Dilly  
Betty Dunkerley  
Bob Ellis  
Ricky Green  
Brad Prak  
Bill Sage, MD  
Paul Saldana  
Gail Sulak  
Helen Varty



May 19, 2015

Maureen Meredith, Senior Planner  
City of Austin - Planning & Development Review Department  
505 Barton Springs Rd, 5th Floor  
Austin, TX 78704

**RE: FLUM amendment and zoning amendment for 21 Waller Street (RBJ Center)**

Dear Ms. Meredith:

The East Cesar Chavez Neighborhood Planning Team is writing in support of an ECCNP FLUM amendment and a zoning amendment for 21 Waller Street, as part of the redevelopment of the RBJ tower. Austin Geriatric Center (the owner), their Board of Directors and Capital Project Management have worked with members of the ECCNPT since 2011 to help keep the community involved and adhere to the Neighborhood Plan. The guiding principles of the AGC are the inspiration for and have guided the planning for the redevelopment plan: Continue to provide safe affordable housing on site, Provide upgraded amenities, Expand affordable housing to the elderly, Add other affordable housing and mixed uses consistent with neighborhood plan, and Be good stewards of the land.

The current plan will include doubling the amount of affordable housing on site for seniors, adding market rate housing, adding retail elements specifically targeted to needs of seniors and the neighborhood, and restoring the Fish Hatchery on site.

At our March 18, 2015 meeting, the ECCNPT discussed the above redevelopment plan and voted in support of the following:

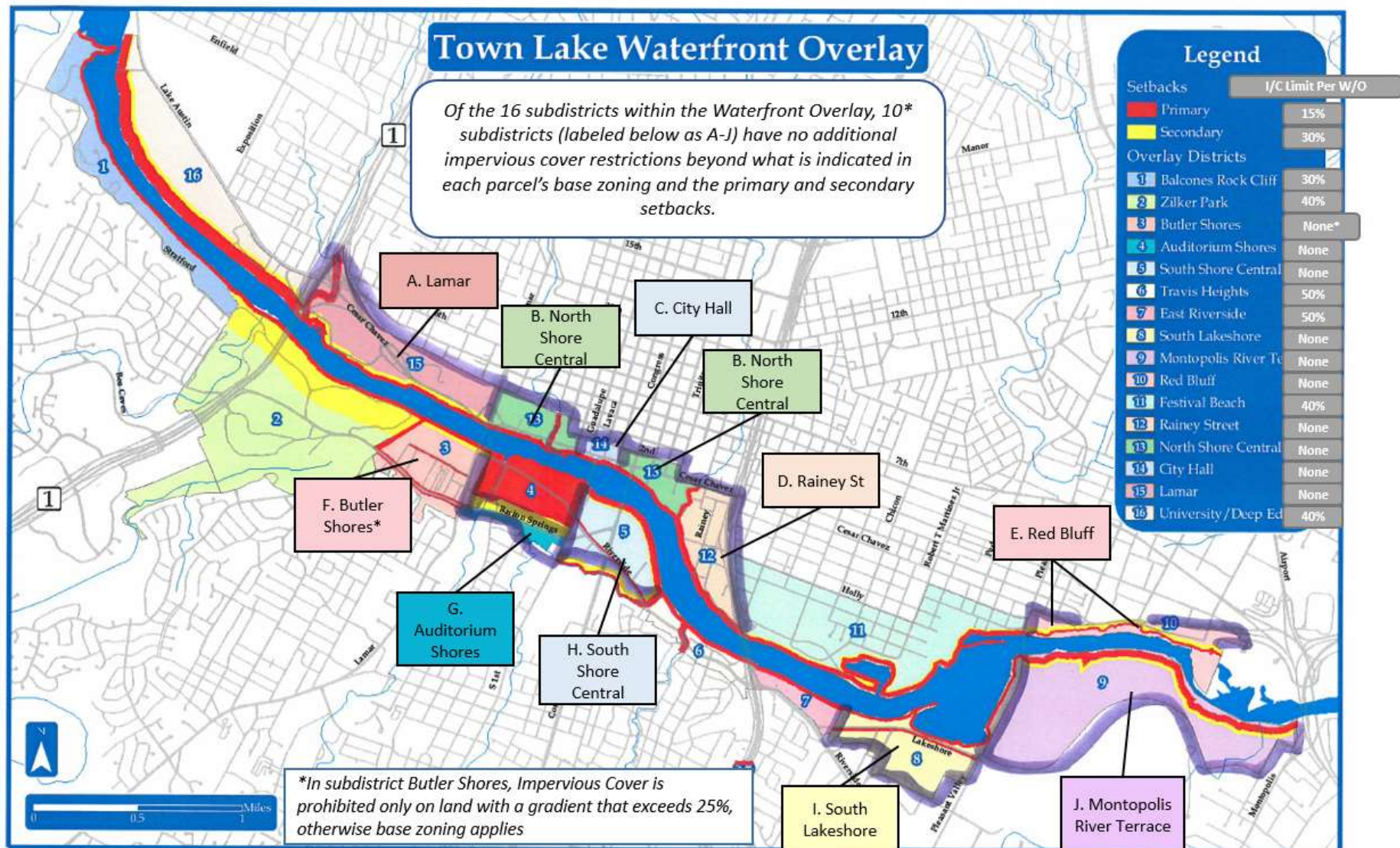
- Amendment of the ECCNP FLUM from Multifamily to Mixed Use
- Amendment to the zoning from CS-MU-CO-NP to CS-MU-V-CO-NP, allowing 60' height across the property.

**The East Cesar Chavez Neighborhood Planning Team officially supports the ECCNP FLUM amendment and a zoning amendment for 21 Waller Street.**

We hope that you will join us in support of this redevelopment and grant the requested amendments.

Sincerely,

**Ken Johnson**  
Chair  
East Cesar Chavez Neighborhood Planning Team



Source: City of Austin Land Development Code, Chapter 25-2-731 – 25-2-746





## AFFORDABILITY IMPACT STATEMENT

NEIGHBORHOOD HOUSING AND COMMUNITY DEVELOPMENT

CITY COUNCIL DATE –

RESOLUTION NO: 20151217-057

<p>PROPOSED CODE AMENDMENT:</p>	<p>PROPOSED AMENDMENT TO TITLE 25 OF THE LAND DEVELOPMENT CODE WATER FRONT OVERLAY, FESTIVAL BEACH SUBDISTRICT REGULATIONS THE PROPOSED AMENDMENT WOULD CHANGE IMPERVIOUS COVER AND ADDS COMMUNITY BENEFITS TO INCLUDE AFFORDABLE HOUSING AND ADDS ENHANCED WATER QUALITY FEATURES.</p>
<p>IMPACT ON IMPLEMENTATION OF IMAGINE AUSTIN VISION, GOALS AND PRIORITIES RELATED TO HOUSEHOLD AFFORDABILITY</p>	<p><input checked="" type="checkbox"/> POSITIVE   <input type="checkbox"/> NEGATIVE   <input type="checkbox"/> NEUTRAL</p> <p>THE PROPOSED AMENDMENTS WILL NOT IMPEDE THE IMPLEMENTATION OF THE FOLLOWING IMAGINE AUSTIN BUILDING BLOCKS:</p> <p>PRIORITY PROGRAM 6: DEVELOP AND MAINTAIN HOUSEHOLD AFFORDABILITY THROUGHOUT AUSTIN –</p> <p><i>ENSURE NEW AND REVISED SMALL-AREA PLANS INCLUDE AN AFFORDABILITY COMPONENT ADDRESSING PRESERVATION OF EXISTING AND CREATION OF NEW AFFORDABLE, SUPPORTIVE, AND WORKFORCE HOUSING.</i></p> <p>THE PROPOSED ORDINANCE AMENDMENT MAY HAVE A POSITIVE IMPACT ON THE DEVELOPMENT OF AFFORDABLE HOUSING BY PRESERVING EXISTING AFFORDABLE HOUSING AND IN EXCHANGE FOR INCREASED IMPERVIOUS COVER, THE DEVELOPMENT MUST MEET THE AFFORDABLE REQUIREMENTS OUTLINED IN THE PROPOSED ORDINANCE AMENDMENT.</p>
<p>IMPACT ON REGULATORY BARRIERS TO AFFORDABLE HOUSING DEVELOPMENT</p>	<p><input checked="" type="checkbox"/> POSITIVE   <input type="checkbox"/> NEGATIVE   <input type="checkbox"/> NEUTRAL</p> <p>THIS PROPOSED ORDINANCE AMENDMENT MAY HAVE A POSITIVE IMPACT ON REGULATORY BARRIERS TO AFFORDABLE HOUSING DEVELOPMENT BY PRESERVING EXISTING AFFORDABLE HOUSING AND IN EXCHANGE FOR INCREASED IMPERVIOUS COVER, THE DEVELOPMENT MUST MEET THE AFFORDABLE REQUIREMENTS OF SERVING RESIDENTS AT OR BELOW 60% MEDIAN FAMILY INCOME (MFI), AS OUTLINED IN THE PROPOSED ORDINANCE AMENDMENT</p>
<p>LAND USE / ZONING OPPORTUNITIES FOR AFFORDABLE HOUSING DEVELOPMENT</p>	<p><input checked="" type="checkbox"/> POSITIVE   <input type="checkbox"/> NEGATIVE   <input type="checkbox"/> NEUTRAL</p> <p>THE INCREASE IN DENSITY COULD BENEFIT AFFORDABLE HOUSING DEVELOPERS BY ALLOWING FOR LARGER AFFORDABLE HOUSING DEVELOPMENTS SERVING RESIDENTS AT OR BELOW 60% MEDIAN FAMILY INCOME (MFI), AS OUTLINED IN THE PROPOSED ORDINANCE AMENDMENT</p>

IMPACT ON COST OF DEVELOPMENT	<input checked="" type="checkbox"/> POSITIVE <input type="checkbox"/> NEGATIVE <input type="checkbox"/> NEUTRAL  AN INCREASE IN IMPERVIOUS COVER COULD IMPACT THE COST OF DEVELOPMENT BY LOWERING THE LAND AND DEVELOPMENT COSTS PER UNIT BY ALLOWING FOR MORE UNITS.
IMPACT ON PRODUCTION OF AFFORDABLE HOUSING	<input checked="" type="checkbox"/> POSITIVE <input type="checkbox"/> NEGATIVE <input type="checkbox"/> NEUTRAL  THIS PROPOSED ORDINANCE AMENDMENT MAY HAVE A POSITIVE IMPACT ON THE PRODUCTION OF AFFORDABLE HOUSING DEVELOPMENT BY PRESERVING EXISTING AFFORDABLE HOUSING AND IN EXCHANGE FOR INCREASED IMPERVIOUS COVER, THE DEVELOPMENT MUST MEET THE AFFORDABLE REQUIREMENTS OF SERVING RESIDENTS AT OR BELOW 60% MEDIAN FAMILY INCOME (MFI), AS OUTLINED IN THE PROPOSED ORDINANCE AMENDMENT
PROPOSED CHANGES IMPACTING HOUSING AFFORDABILITY:	AN INCREASE IN IMPERVIOUS COVER WOULD ALLOW FOR THE DEVELOPMENT OF AFFORDABLE HOUSING SERVING RESIDENTS AT OR BELOW 60% MEDIAN FAMILY INCOME (MFI), AS OUTLINED IN THE PROPOSED ORDINANCE AMENDMENT.
ALTERNATIVE LANGUAGE TO MAXIMIZE AFFORDABLE HOUSING OPPORTUNITIES:	NONE
OTHER HOUSING POLICY CONSIDERATIONS:	NONE
DATE PREPARED:	MAY 13, 2016
DIRECTOR'S SIGNATURE:	<i>BH Copie for Betsy Spencer</i>

ORDINANCE NO.

AN ORDINANCE AMENDING CITY CODE SECTION 25-2-735 RELATING TO REGULATION OF SENIOR HOUSING AND MIXED USE DEVELOPMENT WITHIN THE WATERFRONT OVERLAY.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. City Code Section 25-2-785 (*Festival Beach Subdistrict Regulations*) is amended to read as follows:

§ 25-2-735 - FESTIVAL BEACH SUBDISTRICT REGULATIONS.

- (A) This section applies in the Festival Beach subdistrict of the WO combining district.
- (B) The primary setback line is located 100 feet landward from the Town Lake shoreline.
- (C) The secondary setback line is located 50 feet landward from the primary setback line.
- (D) For an area not included in a primary setback area or a secondary setback area, the maximum impervious cover is:

(1) 40 percent[-]; or

(2) 70 percent, for a site that:

(a) contains congregate care and retail uses on 15 or more acres;

(b) is adjacent to 1.5 or more acres of parkland or publically accessible open space;

(c) includes, within the congregate care use, at least:

(i) ~~310~~ rental housing units that serve residents earning at or below 60% of area median family income; and

(ii) ~~140~~ rental housing units that serve residents earning at or below 30% of area median family income; and

(d) contains the following enhanced water quality features:

255 units at 60%

45 units at 30%

Add section (iii) 150 rental housing units that services residents earning at or below 50% of area median family



- (i) water quality treatment utilizing green water quality controls sized at ½-inch or greater, based on assumed impervious cover of 68%;
- (ii) at least 30,000 square feet of porous pavement for pedestrian areas;
- (iii) at least 8,126 cubic feet of rainwater harvesting sufficient to capture 1.3 inches of runoff from 75,000 square feet of impervious cover; and
- (iv) onsite water quality ponds sufficient to treat a minimum of 6,200 cubic feet of off-site drainage.

(E) The maximum height is the lower of 60 feet or the maximum height allowed in the base zoning district.

**PART 2.** This ordinance takes effect on \_\_\_\_\_, 2016.

**PASSED AND APPROVED**

\_\_\_\_\_, 2016      §  
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                                 §  
Steve Adler  
Mayor

**APPROVED:** \_\_\_\_\_  
Anne L. Morgan  
City Attorney

**ATTEST:** \_\_\_\_\_  
Jannette S. Goodall  
City Clerk