

Zilker Neighborhood Association

607 Jessie Street Austin, TX 78704

56
HPD

November 4, 2021

To: Mayor and City Council

Re: Agenda item 56, Rezoning of 2700 South Lamar, Case C14-2020-0144

Dear Mayor and City Council Members,

Based on our detailed understanding of redevelopment issues on the western side of South Lamar, the Zoning Committee of the Zilker Neighborhood Association opposes the rezoning application at 2700 S. Lamar (C14-2020-0144), and any other upzoning request at this location.

A majority of Planning Commissioners agreed with us this summer and voted against the rezoning, but City staff have not recommended any environmental protections, street or drainage improvements, or traffic and parking restrictions in response to the commissioners' objections. We therefore ask that you reject the staff recommendation and deny the rezoning.

The requested rezoning to the most intense multifamily district, MF-6, is not appropriate here for the following reasons:

- the current zoning entitlements (VMU overlay) already exceed the capacity of the area's infrastructure. Any redevelopment of the magnitude proposed will only exacerbate the problems.
- the property is in an environmentally sensitive area, where the Barton Springs Zone and its tree canopy meet South Lamar Blvd.
- the MF-6 request allows 90-foot heights but does not require any participation in SMART Housing Programs or contribution to affordable housing.
- the MF-6 request conflicts with the stated purposes of Austin's residential and commercial zoning districts and with the Imagine Austin Comprehensive Plan, which calls for a mix of moderate-density multifamily building types on the South Lamar Corridor.

The requested rezoning also has broader citywide impacts. Granting MF-6 rezoning here would encourage investors in other mixed-use and moderate density multifamily properties along South Lamar and all across the city to apply for rezoning that would grant 90-foot height entitlements without providing significant affordable housing or other community benefits. It will essentially gut the Affordability Unlocked Ordinance (see Section 3 in the following pages for details).

The following pages elaborate on our four general concerns: Traffic Issues, Environmental Issues, Affordability, Compatible Use of Property.

We hope that you will consider these fundamental goals of zoning and planning and hold these environmentally sensitive properties to higher standards. Please deny the request for MF-6 rezoning.

Thank you for considering our comments, and thank you for your service to Austin.

Sincerely,
Bill Bunch, ZNA President

SECTION 1. TRAFFIC ISSUES

Vehicular Traffic Conflicts with the South Lamar Corridor Improvements Plan

Developing an MF-6 project at this location is unwise. This location cannot support a large MF-6 project unless personal automobiles are prohibited onsite. Note that the Foundation Communities project approved next door in 2013 did not include tenant parking. The intersections of South Lamar Blvd, Menchaca Rd, and Barton Skyway are already unacceptably congested and hazardous. The changes designed for the South Lamar Corridor Improvements project will make entering and exiting a large project at this location problematic. The applicant has not conducted a Traffic Impact Analysis, and City staff has said that such an analysis is only required during the Site Plan stage. This is an unreasonable position, given that the scale of the proposed project will obviously overwhelm the existing streets and proposed pedestrian improvements.

According to the South Lamar Corridor Improvements Plan, a traffic island at Dickson Drive will prevent left turns onto and off of South Lamar Blvd at this location. Figures 1 and 2 illustrate the difficulties that will face drivers exiting the property to the north. Northbound traffic entering the property from the south have a couple more choices but they are equally undesirable (and in some cases, illegal). Figures 3 through 5 illustrate three of them but there are also these two: 1) make a dangerous U-turn past the island into the southbound lanes or 2) force traffic through the neighborhood by turning left at the next light intersection (currently Bluebonnet) and take a circuitous route to Montclair St or La Casa Dr which will allow a right turn onto Lamar. None of these options are acceptable.

Vehicular Traffic from Subject Property Prohibited On Skyway Circle

A recent rezoning ordinance of the former Goodwill property at 2800 South Lamar Blvd. (No. 20130523-101) prohibits access to Skyway Circle:

Vehicular access from the property to Skyway Circle is prohibited except for pedestrian, bicycle and emergency ingress and egress.

This condition should be transferred to any new rezoning ordinance for the subject property. The condition was placed there after negotiations with the existing multifamily community on Skyway Circle, which will be overwhelmed by vehicular traffic from South Lamar if a parking garage is allowed to access this small residential street. The community on Skyway Circle negotiated this condition in good faith, and it should be honored in any subsequent rezoning.

SECTION 2. ENVIRONMENTAL ISSUES

Barton Springs Zone

Much of the site is located over the Barton Springs Zone (see Figure 6) and, according to the City staff report, is subject to 15% impervious cover limit of the Save Our Springs (SOS) Ordinance. To build the proposed project, the owners must apply for a redevelopment exception under Code Section 25-8-26. As a multifamily residential project, it would require a public hearing and City Council approval. According to the Redevelopment Exception, the City Council shall consider the following factors in determining whether to approve a proposed redevelopment:

- (1) benefits of the redevelopment to the community;
- (2) whether the proposed mitigation or manner of development offsets the potential environmental impact of the redevelopment;
- (3) the effects of offsite infrastructure requirements of the redevelopment; and
- (4) compatibility with the City's comprehensive plan.

When ZNA approved the South Lamar VMU overlay 15 years ago, we did not realize that the Barton Springs Zone extended to South Lamar at this point. Now that we are all in the midst of an environmental and climate crisis, we believe these environmentally sensitive properties should be held to higher standards for redevelopment. To approve further increases in entitlements on a property knowing that those entitlements will have to be reduced in the near future seems perverse, as though the City Council is intentionally seeking to undermine the SOS ordinance and environmental protections in general.

Protections should be added to limit excavation on the site or we may experience issues similar to those encountered at South Lamar Blvd and Hether St where groundwater is constantly being discharged to the surface and causing the deterioration of the street, all because the City failed to recognize the issues associated with excavation in an area with known groundwater features. A large facility like this, particularly since it would have very little low-income housing, might need to include a restriction on the number of cars so that a large underground parking facility is not necessary.

Topography

The site has some topography with significant relief as a result of an intermittent creek which runs through it (see Figure 7). It is very likely that this creek, a creek that may contribute recharge to the Edwards Aquifer and Barton Springs, will be filled in as a result of the construction. Protections should be added to preserve the creek, trees, and other environmental features and to prevent flooding of the multifamily community downstream from the project. These would be in addition to the SOS water quality requirements.

Stormwater Conveyance

A 24" stormwater sewer line crosses through the middle of the site (see Figure 8) and would have to be relocated if the building is constructed as proposed. This would be another instance of potential impacts to the Barton Springs Zone.

SECTION 3. AFFORDABILITY

If this developer is granted the MF-6 zoning and the associated entitlements, it will totally undermine the Affordability Unlocked bonus program citywide. Why would anyone ever use this bonus program if they can just go to City Council for a zoning change to MF-6 and obtain the height increase and unlimited FAR without any requirement to provide additional affordable units?

Affordability Unlocked is not limited to nonprofit providers, and it is becoming an attractive option for new groups of investors. Last month City housing staff confirmed that “Yes, there have been SMART Housing and Affordability Unlocked applications submitted” for addresses on South Lamar, and the SMART Housing certifications have been completed.

One project in particular appears to be a group of private investors with several other SMART and Affordability Unlocked applications pending. The investors have proposed a 453-unit multi-family development with 227 affordable units. From the SMART certification letter: Since 20.3% (92) of the units will serve households at 50% MFI, 19.9% (90) of the units will serve households at 60% MFI, and 9.9% (45) of the units will serve households at or below 80% MFI, the development will be eligible for 100% waiver of fees. The Affordability Unlocked application indicates a Type 2 level of affordability and will ensure that at least 25% of the affordable units are available for housing for older persons. Even if floodplain issues require the project to be reduced by half, it could still yield 100 deeply affordable units, a significant addition of income-restricted housing to South Lamar.

Compare that application with this proposed project at 2700 South Lamar. About 6 blocks away, 2700 South Lamar is very similar in its physical dimensions, including environmental issues. The applicants for 2700 South Lamar “volunteer” the same affordability as the existing VMU zoning, i.e., 10% of the units at 60% MFI, which in the best of circumstances would yield only about 40 income-restricted units. If SOS regulations require the project to be reduced by half, the project would yield fewer than 20 barely affordable units.

The expectation of any affordability from an MF-6 project is itself problematic. The applicants have failed to produce the promised private restrictive covenant to assure any affordable units, and they have yet to respond to ZNA’s counterproposals. This property could be an attractive candidate for Affordability Unlocked, adding significant numbers of units and a healthy mix of income levels, with no zoning change required and no negotiation of tenuous private agreements.

SECTION 4. COMPATIBLE USE OF PROPERTY

I. The current VMU overlay is the best option for these parcels

In 2006, ZNA carefully considered and approved a Vertical Mixed Use overlay for South Lamar from Town Lake to Barton Skyway. The criteria we used and how they were applied to every parcel on South Lamar can be seen on the ZNA web site at VMU map (2006-10).pdf (zilkerneighborhood.org). VMU was attractive to ZNA because it could concentrate multifamily density on large underused commercial sites, consolidating paving and parking structures without destroying existing residential areas. For smaller properties south of Oltorf, our intent was to provide flexibility for redevelopment of those commercial properties that could support modest and affordable multifamily and live-work housing types without impairing the use of existing housing and local businesses. ZNA's entire VMU proposal was unanimously approved by the Planning Commission and the City Council in 2008. Since then, thousands of multifamily units (averaging more than 80 units per acre) have been added to the South Lamar Corridor.

The VMU exercise highlighted an obstacle for all redevelopment on South Lamar--the corridor's lack of a street grid with major intersections. Between Barton Springs Road and Ben White, there are no direct east-west connections to other major corridors. Therefore, there are no good locations for intense commercial uses or for the highest-density residential zoning districts. Higher density multifamily zoning districts (especially MF-6) should have access to a complete street grid, as in the Central Business District (§ 25-2-67). The existing residential area affected by this rezoning request, however, has no frontage on South Lamar and no public through streets, and its development is constrained by its location in the Barton Springs Zone. The area from La Casa to Barton Skyway includes more than 300 moderately priced multifamily housing units in a wide variety of building types:

- 64 units in Akoya condos, converted from a derelict apartment building on Dickson,
- 16 units in Sasona co-op, off the end of Paramount,
- 134 units in Barton's Mill apartments, small apartment buildings clustered among the trees in rough terrain,
- 88 units in Barton Village, four-plexes clustered among the trees in rough terrain on Skyway Circle and Westhill,
- 14 units in duplexes facing Barton Skyway.

Across the street from the subject properties, at South Lamar and Menchaca, is a large, dense VMU project with 357 housing units. A crucial goal of the VMU ordinance and the Comprehensive Plan is to preserve and promote a mix of housing types and levels of affordability, such as already exists in this area. The VMU overlay supports that goal. The proposed MF-6 rezoning would impair the existing desirable uses and overwhelm South Lamar.

The existing zoning entitlements include a maximum of more than 101,000 square feet of building coverage, with an FAR allowing 161,491 sf. If the redevelopment utilized VMU, the FAR limits would be removed, allowing more than 380,000 sf. That is far more than the street and drainage infrastructure can support, even without the additional environmental constraints. Therefore, increased zoning entitlements on the subject properties would serve no useful purpose.

II. MF-6 does not support the Imagine Austin Comprehensive Plan

The requested rezoning to MF-6 exceeds the density but does not support the purposes identified for the South Lamar activity corridor on the Imagine Austin Growth Concept map (Figure 4.5 and pages 103-106, Imagine Austin Comprehensive Plan).

A. South Lamar is an activity corridor leading to one of the "activity centers for redevelopment in sensitive environmental areas." The subject site is on the west side of the corridor, within the Barton Springs Zone and Barton Creek watershed, and its redevelopment should be subject to standards for sensitive environmental areas.

B. The Comprehensive Plan favors a mix of uses along corridors such as South Lamar. The requested rezoning would eliminate an opportunity for very desirable VMU residential and local business projects.

C. No part of South Lamar has been designated a regional center, a town center, or even a neighborhood center, although since the VMU overlay was applied to the corridor, its population and built environment meet the Comprehensive Plan's definition of a town center. That definition does not include high-rise highest-density apartment buildings. According to Chapter 4 of Imagine Austin: "The buildings found in a town center will range in size from one- to three-story houses, duplexes, townhouses, and row houses, to low- to midrise apartments, mixed use buildings, and office buildings." Zoning this site for downtown high rises would impair the environmental, transportation, affordable housing preservation, walkability, and complete-community goals of Imagine Austin.

III. MF-6 does not support the purposes of residential zoning

Rezoning this transitional area of mixed duplex and affordable multifamily housing for the highest density multifamily use would be inconsistent with the purposes of the residential zoning districts, even if the site were not in an environmentally sensitive location. Several purposes are listed in § 25-2-51, but this MF-6 rezoning in particular is not consistent with the Comprehensive Plan, and it does not ensure adequate light, air, privacy, and open space for each dwelling.

Other multifamily zoning districts, up to MF-3, might be appropriate for this part of the corridor, but parcels south of Oltorf are stretching the definition of "centrally located" that should apply to higher density zoning, and multifamily zoning does not support the local commercial uses allowed by VMU. The Code describes multifamily zoning above 36 units per acre as "high density" that is suitable for the central business district. MF-6, with no limit on units per acre, is described in § 25-2-67: "An MF-6 district designation may be applied to a use in a centrally located area near supporting transportation and commercial facilities, an area adjacent to the central business district or a major institutional or employment center." In the context of Austin's Comprehensive Plan, MF-6 zoning should be confined to regional centers. The subject properties are not within a regional center.

IV. MF-6 does not support the purposes of commercial and mixed-use zoning

The site's current zoning (GR and CS) is at the upper limit of what is appropriate for local commercial uses adjacent to a mix of single-family and moderate density multifamily housing. The overwhelming problem with this collection of small parcels is that none of them has adequate access to South Lamar or off-street parking and loading, as recommended in § 25-2-91

(3). The most that can be built here is a small VMU project that meets GR site development standards, with the least intensive retail uses, to minimize traffic and parking burdens. Any upzoning is bound to conflict with transportation planning and to have adverse effects on nearby land uses. Thus, any upzoning would be inconsistent with the Comprehensive Plan and the purposes of the commercial zoning districts, even if the site were not in an environmentally sensitive location. In our VMU analysis, a major concern was to support the purposes of commercial districts listed in § 25-2-91, especially *“(3) ensure adequate access and off-street parking and loading for office and commercial uses and minimize traffic congestion and other adverse effects on nearby land uses.”*

Although most of South Lamar has entirely too much commercial zoning, the ZNA VMU plan was careful to value the smaller parcels that provide important neighborhood services and jobs. Upzoning these small properties for expensive residential space and eliminating their opportunities for local businesses would undermine all of those purposes and the neighborhood's planning goals.

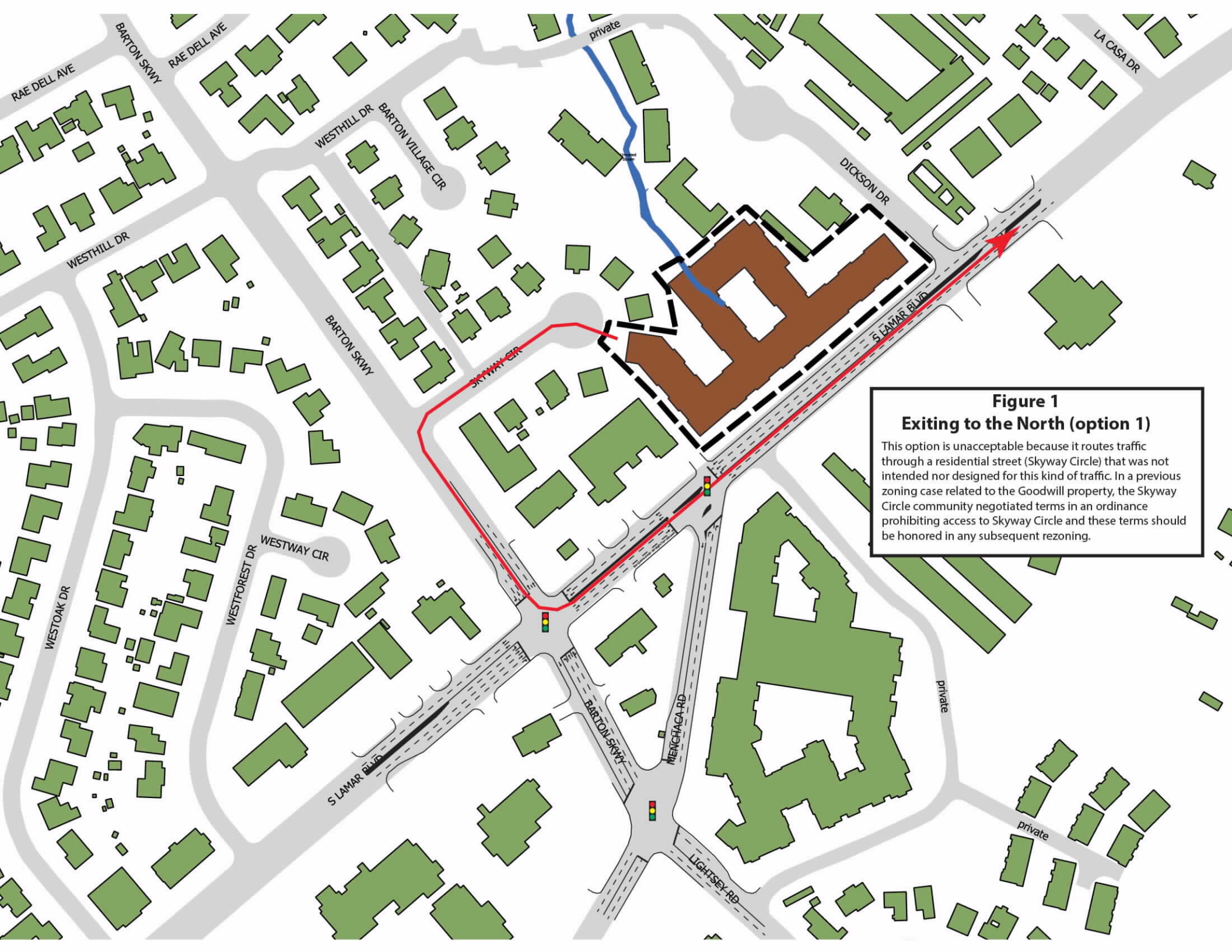


Figure 1

Exiting to the North (option 1)

This option is unacceptable because it routes traffic through a residential street (Skyway Circle) that was not intended nor designed for this kind of traffic. In a previous zoning case related to the Goodwill property, the Skyway Circle community negotiated terms in an ordinance prohibiting access to Skyway Circle and these terms should be honored in any subsequent rezoning.

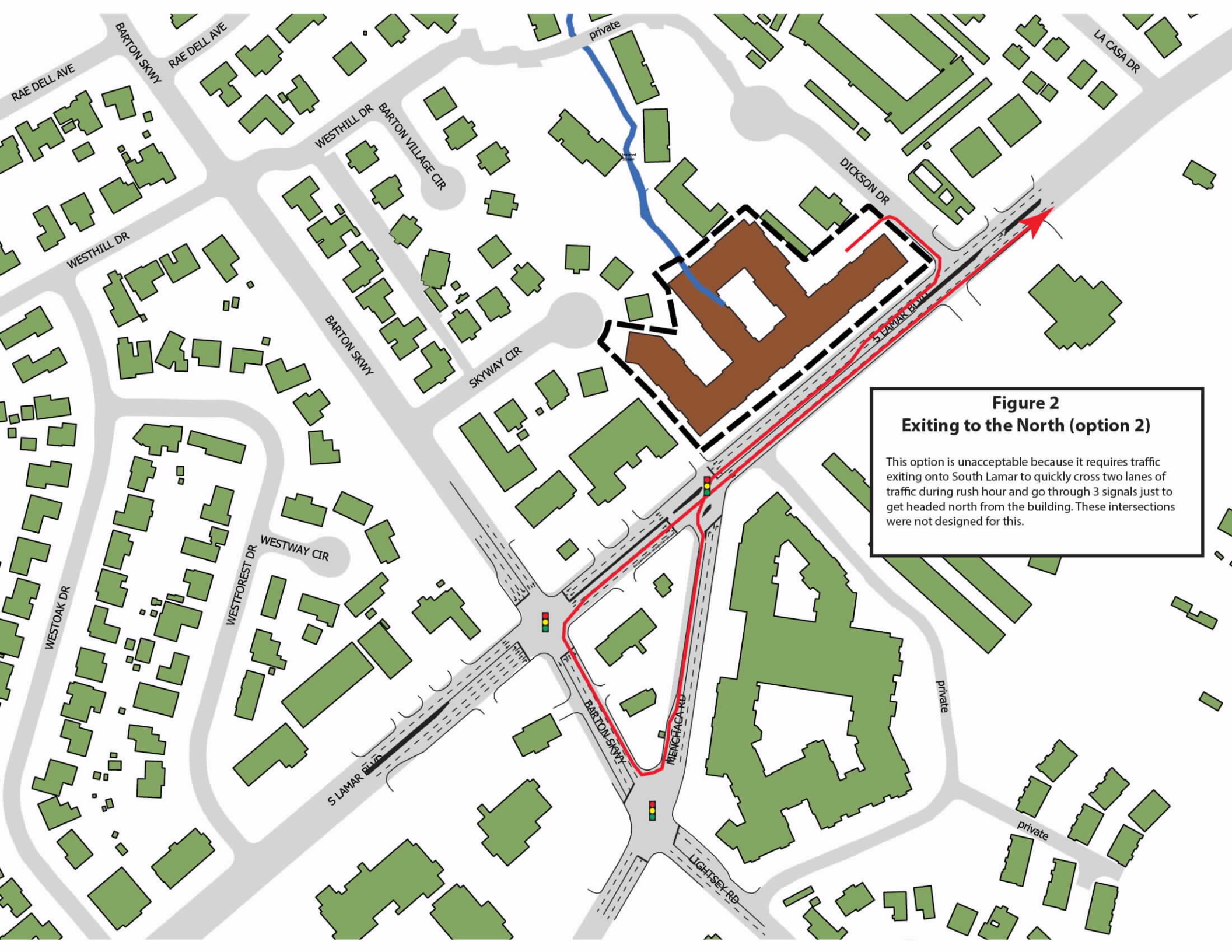


Figure 2
Exiting to the North (option 2)

This option is unacceptable because it requires traffic exiting onto South Lamar to quickly cross two lanes of traffic during rush hour and go through 3 signals just to get headed north from the building. These intersections were not designed for this.

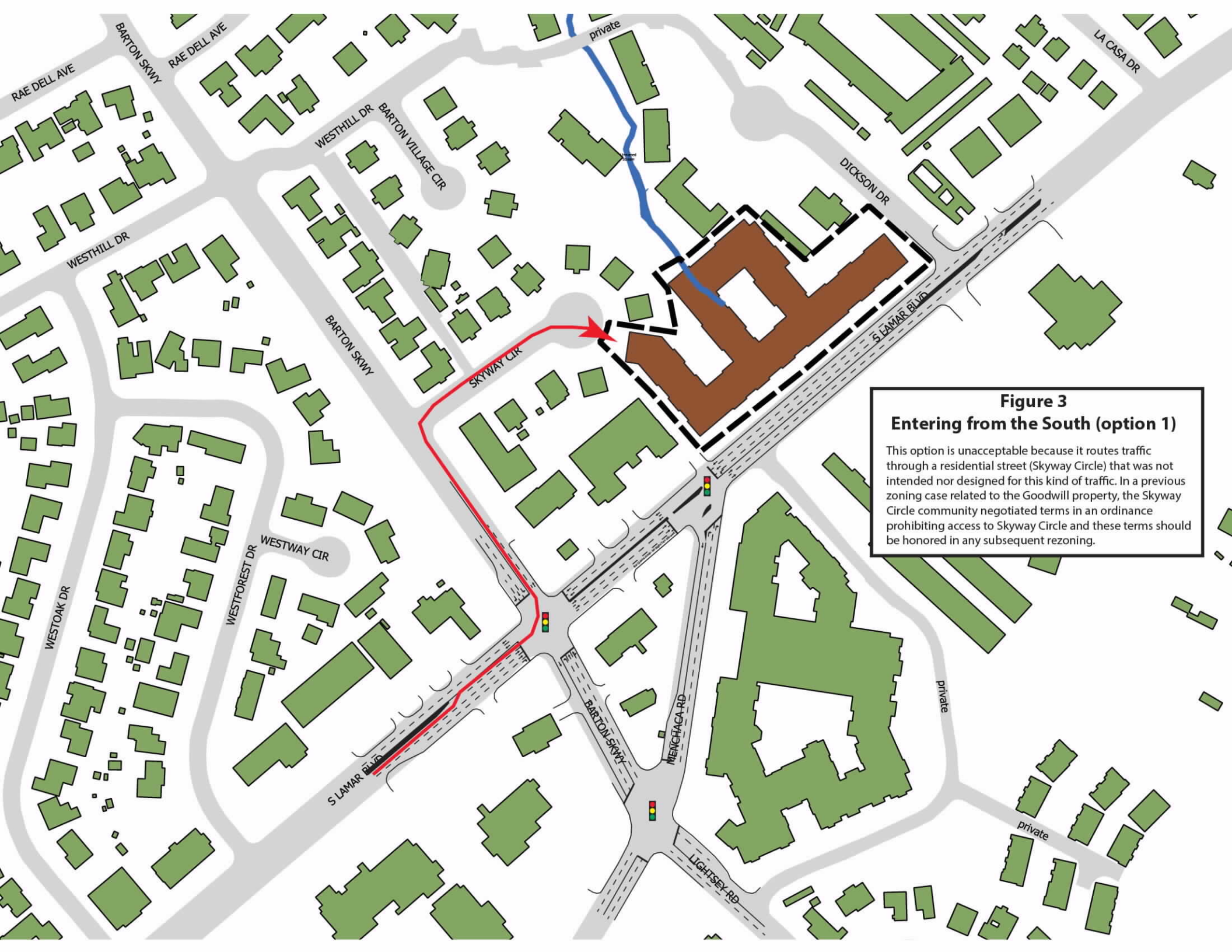


Figure 3

Entering from the South (option 1)

This option is unacceptable because it routes traffic through a residential street (Skyway Circle) that was not intended nor designed for this kind of traffic. In a previous zoning case related to the Goodwill property, the Skyway Circle community negotiated terms in an ordinance prohibiting access to Skyway Circle and these terms should be honored in any subsequent rezoning.

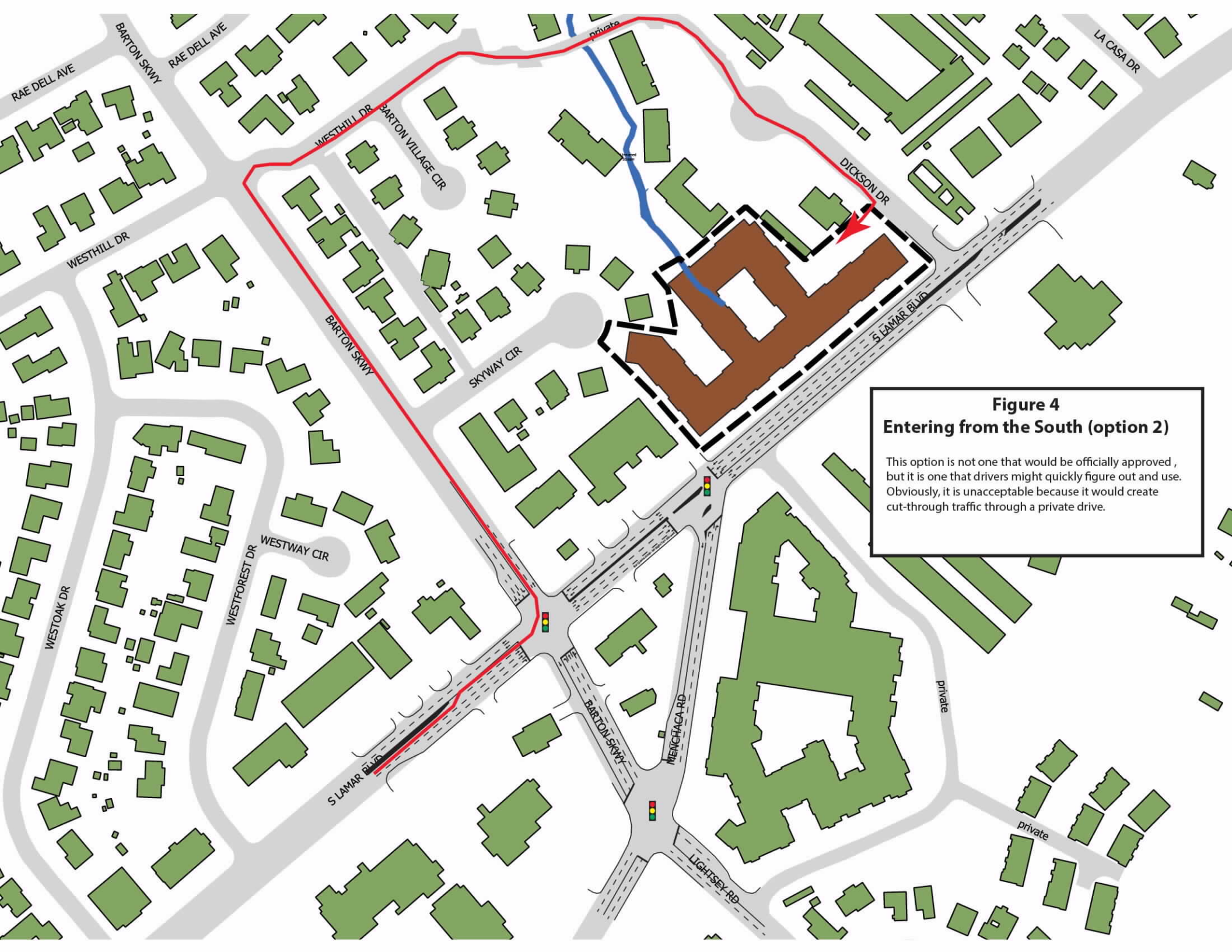


Figure 4
Entering from the South (option 2)

This option is not one that would be officially approved , but it is one that drivers might quickly figure out and use. Obviously, it is unacceptable because it would create cut-through traffic through a private drive.

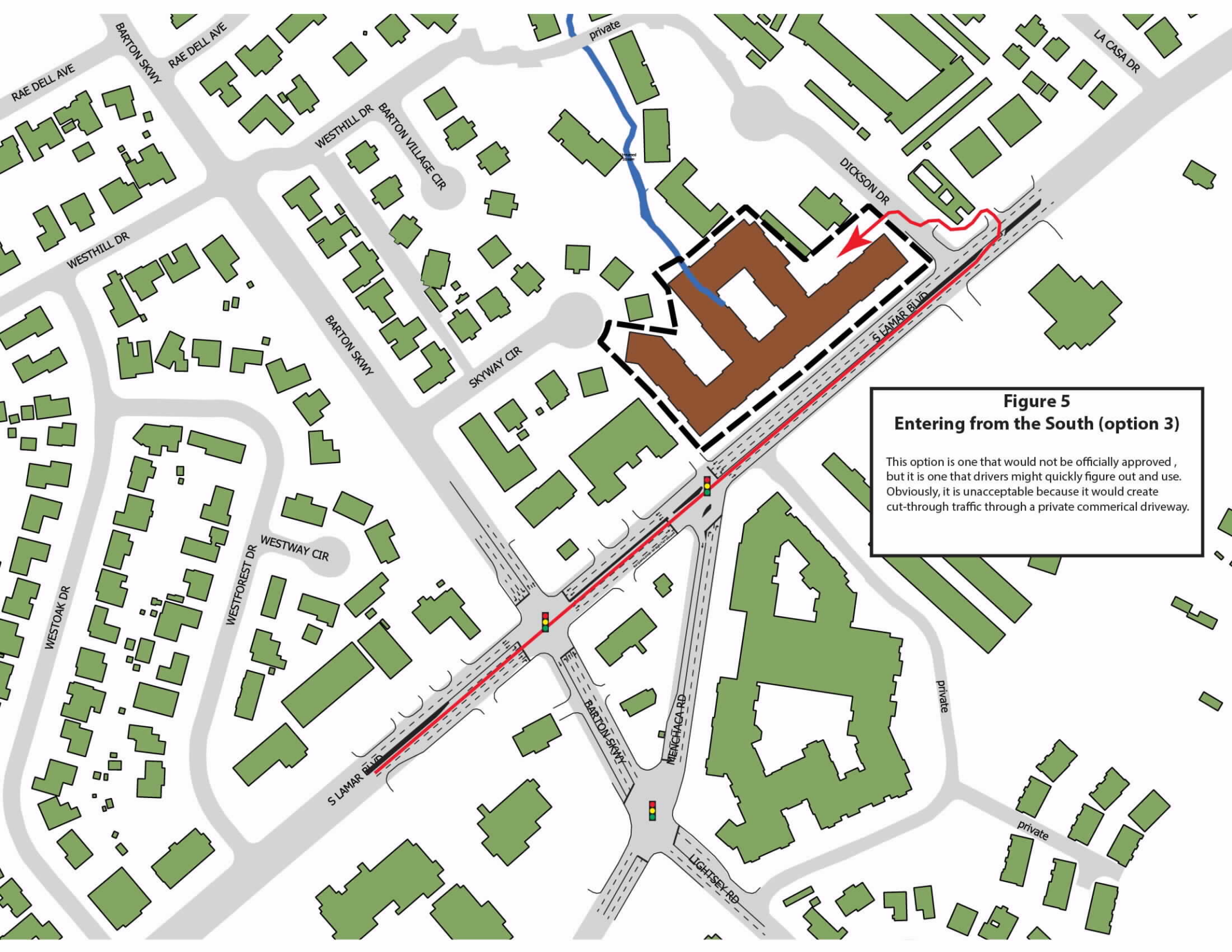


Figure 5
Entering from the South (option 3)

This option is one that would not be officially approved , but it is one that drivers might quickly figure out and use. Obviously, it is unacceptable because it would create cut-through traffic through a private commerical driveway.



Figure 6
Barton Springs Zone

The area shaded in blue shows the location of the Barton Springs Zone and is environmentally sensitive and subject to the SOS ordinance.

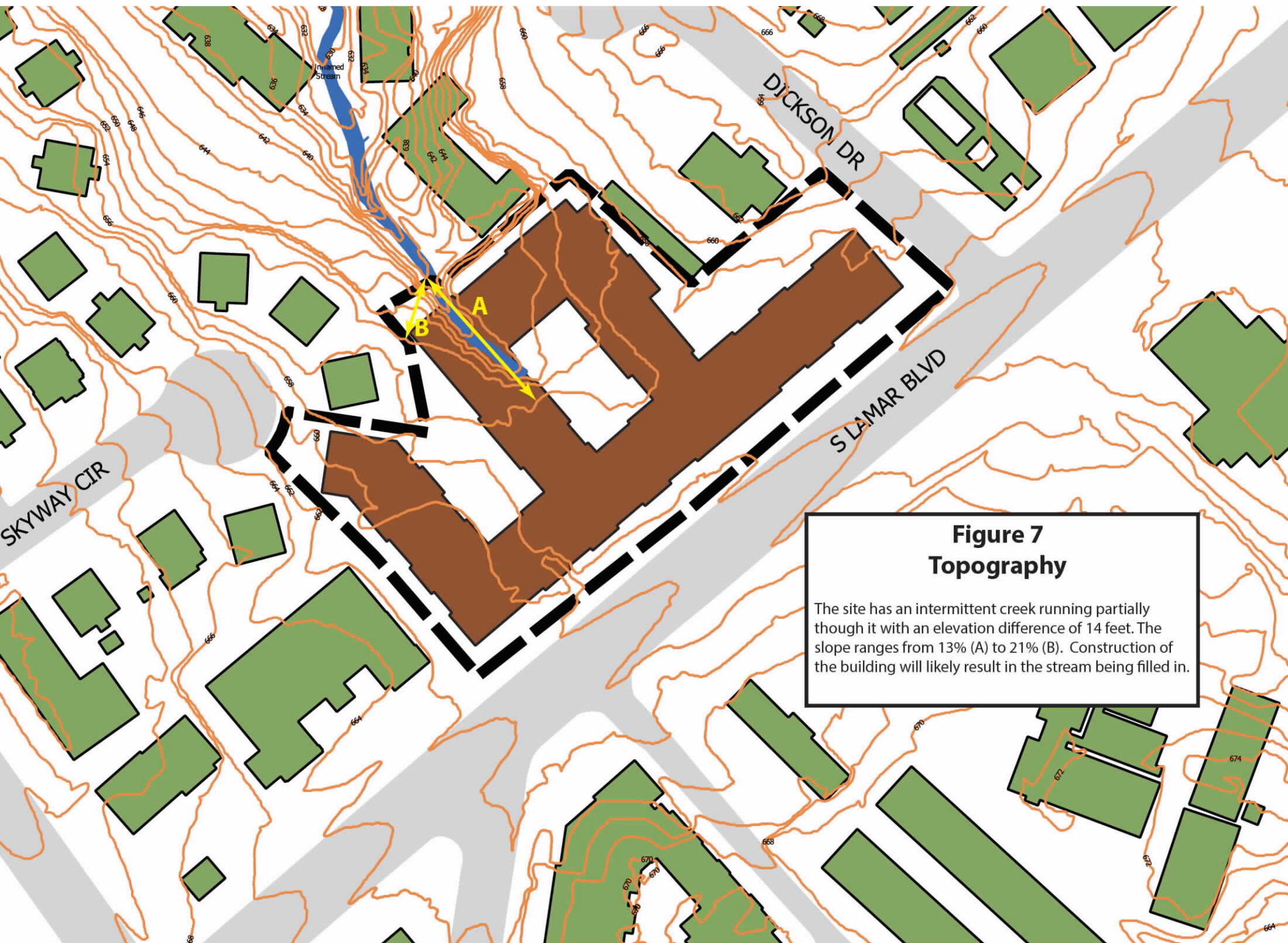


Figure 7
Topography

The site has an intermittent creek running partially through it with an elevation difference of 14 feet. The slope ranges from 13% (A) to 21% (B). Construction of the building will likely result in the stream being filled in.

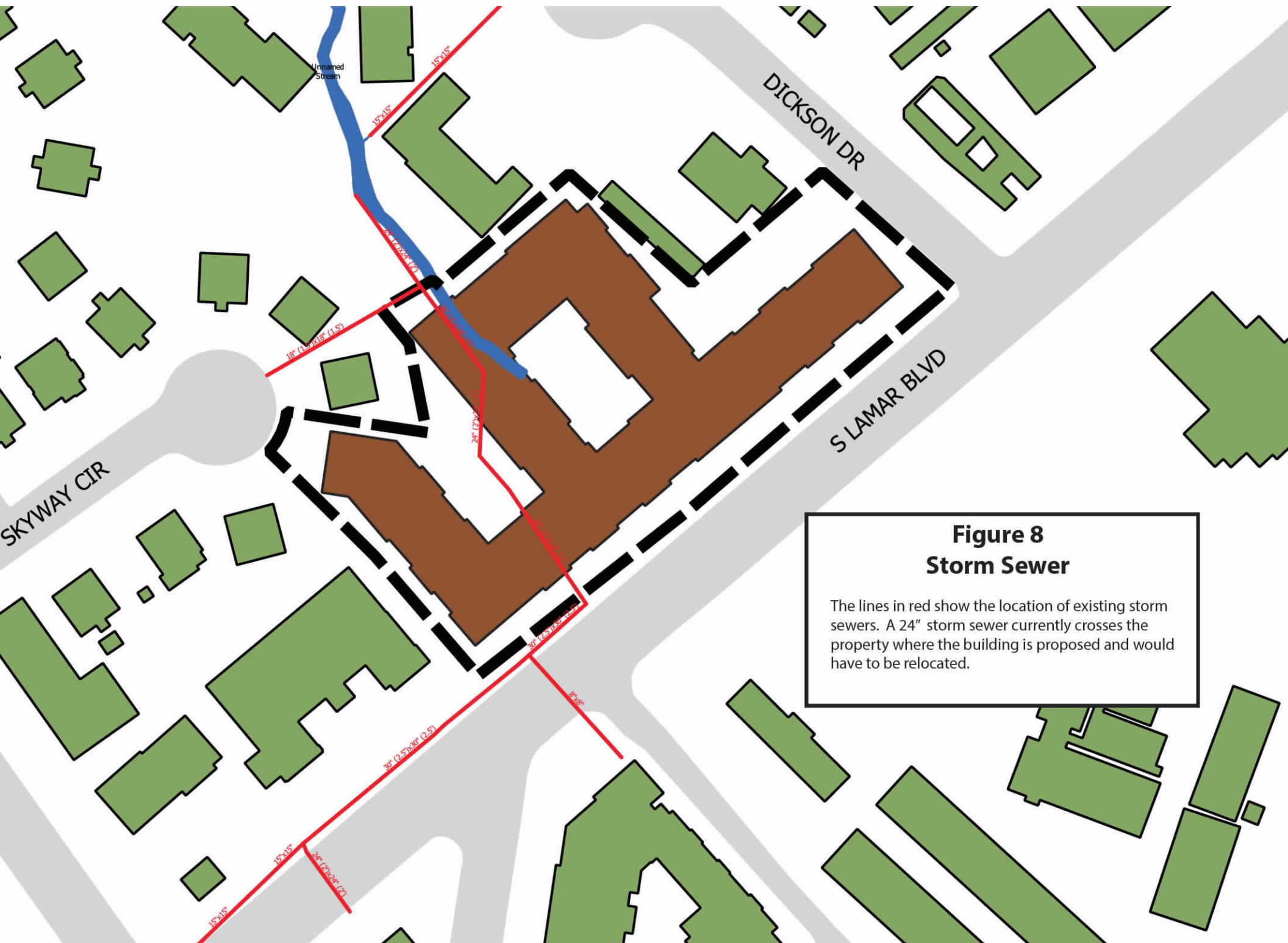


Figure 8
Storm Sewer

The lines in red show the location of existing storm sewers. A 24" storm sewer currently crosses the property where the building is proposed and would have to be relocated.