

# COLONY PARK SUSTAINABLE COMMUNITIES INITIATIVE



FINAL  
DECEMBER 2014

## IMPLEMENTATION PLAN

# ACKNOWLEDGEMENTS

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Austin Energy

Austin Housing Finance Corporation

Austin Fire Department

Austin Police Department

Austin Resource Recovery

Austin Transportation Department

Austin Water Utility

CAMPO

CAPCOG

Capital Planning Office

Capital Metropolitan Transportation Authority

Code Compliance

Colony Park Neighborhood Association

Community Court

Community Development Commission

Communications and Public Information Office

Contract and Management

Economic Development Department

Fleet Services

Health and Human Services Dept

Austin Public Library

Neighborhood Housing and Community Development

Office of Homeland Security and Emergency Management

Office of Sustainability

Parks and Recreation Department

Planning and Development Review Department

Public Works Department

Small Minority Business Resources

University of Texas Division of Diversity and Community Engagement

Watershed Protection Department



# IMPLEMENTATION PLAN

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# EXECUTIVE SUMMARY

The Colony Park Master Plan and Design Guidelines describe a comprehensive development strategy for 208 Austin Housing Finance Corporation-owned acres and the surrounding community. Unlike a lot of stand alone real estate deals—strip malls or single-family subdivisions—the success of the Colony Park plan requires that all of the elements of the plan work together and do so in balance. Implementation of such a sophisticated master plan requires an equally sophisticated implementation strategy.

This implementation plan is a detailed step-by-step recipe for how to turn the Colony Park Master Plan, described by Councilman Chris Riley as the most exciting project now underway in Austin, into six great places. As described elsewhere the master plan builds on the urban design strategies of the Mueller redevelopment while raising the bar on neighborhood development, sustainability, diversity of uses, housing diversity and affordability. In order to tackle this ambitious project in phases the plan is divided into clear steps.

## ORGANIZATION OF THE IMPLEMENTATION PLAN

The implementation plan is organized into four parts:

### CHAPTER 1: ADOPTING THE MASTER PLAN

Prompt adoption by the Austin City Council and other units of government is an essential goal of this plan. The plan provides detailed guidance to COA departments as well as autonomous units of government, each of which has a role to play in adopting aspects of the plan. Widespread governmental plan adoption assures that the Colony Park development and its neighbors will benefit from the highest possible levels of intergovernmental coordination. The goal is to have all elements of (Master Plan, Design Guidelines, Existing Conditions Report and Implementation Plan) the plan adopted by December 2014.

### CHAPTER 2: SETTING THE STAGE FOR DEVELOPMENT

The role of the public sector is to set the stage for the involvement of a private sector developer. Municipal preparation needs to be as complete as possible prior to the beginning of the developer selection process. Specific preparatory steps include: briefing the new City Council on the plan, having staff and consultant capacity to negotiate and execute a development deal; lining up initial infrastructure funding and partnerships and promoting the Loyola Town Center and innovation center to potential anchor tenants.

### CHAPTER 3: DEVELOPER PROCUREMENT

The Colony Park Master Plan needs to be implemented by a partnership between COA agencies and one or more private real estate developers and builders. This chapter sets a context for the developer selection process. First an understanding of risk and the realities of what a large land development needs to be successful and a two-part procurement strategy of a RFQ followed by an RFP. The qualifications stage assures that the team has the breadth of experience to implement all parts of the plan and minimizes applicant team costs in the first phase. Detailed development strategies that enhance the project's long-term success are discussed in order to incorporate them into the developer agreement.

### CHAPTER 4: IMPLEMENTATION AND GOVERNANCE

Sustainable communities need to be sustainably governed. Governance requires rules, resources and a living body to guide the community's evolution. It will also take many years to establish the community envisioned in the Colony Park Master Plan and for that development to spread benefits to Colony Park and Lakeside. This section outlines a framework for community involvement through the implementation process.

At the end of each section, there is a list of Action Steps to be taken to accomplish the goals set forth in that section. Each task is assigned to an entity, but may require further coordination with other entities not listed. Some of the entities within the Action Steps that may be referred to through an abbreviated name. These include:

Austin Housing Finance Corporation (AHFC)  
Capital Metropolitan Transportation Authority (CAP Metro)  
Economic Development Department (EDD)  
Neighborhood Housing and Community Development (NHCD)  
Parks and Recreation Department (PARD)  
Austin Resource Recovery (ARR)  
Colony Park Neighborhood Association (CPNA)  
Austin Independent School District (AISD)

Austin Transportation Department (ATD)  
Austin Energy Green Building (AEGB)  
Austin Water Utility (AWU)  
Public Works Department (PWD)  
Planning & Development Review (PDRD)  
Office of Real Estate Services (ORES)  
Capital Planning Office (CPO)

# FAQs ON THE IMPLEMENTATION PLAN

## WHAT IS THE PURPOSE OF AN IMPLEMENTATION PLAN?

An implementation plan is a step-by-step menu for translating a master plan into a sustainable community. It identifies entities, tasks, and resources and establishes the relationship between them that will be essential in implementing the Colony Park Master Plan and Design Guidelines. This plan's key goals are to:

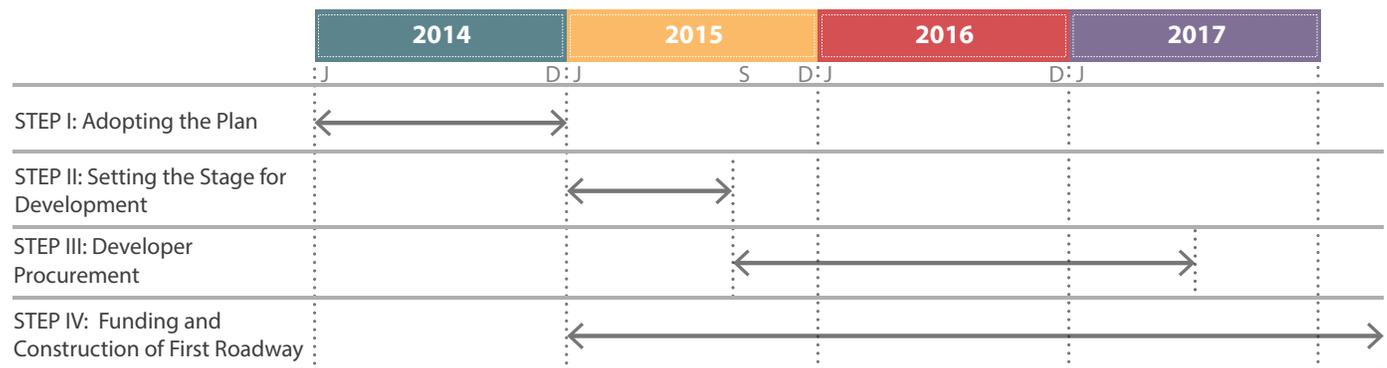
1. Ensure that all development activities remain consistent with the Master Plan
2. Ensure that the development process is successful and builds and maintains momentum
3. Establish a streamlined site plan and land-takedown approval process
4. Provide for proper and timely neighborhood input during implementation

## HOW LONG WILL IMPLEMENTATION TAKE?

The saying goes "Rome wasn't built in a day". Undeveloped land, lacking streets and infrastructure like Colony Park, takes a long time to develop. For example, the 711-acre Mueller development selected a developer in 2002 and is being currently developed. Despite being much smaller, Colony Park can be expected to take a similar number of years.

## WHAT ARE THE FIRST STEPS?

The first few years are especially important for launching the project in the right way. The chart below begins to illustrate a plausible timeline for implementing the first four critical steps that correspond to the chapters of this Implementation Plan.



Implementation Timeline  
Source: Farr Associates

## WHO WILL IMPLEMENT THE COLONY PARK MASTER PLAN?

The Implementation Plan identifies key collaborators who need to embrace the plan and cooperate for the Plan to succeed. These include city agencies, other units of government, private land developers, builders, funding agencies, civic institutions, entrepreneurs, and a diverse range of community groups. Each has multiple roles to play over the likely 20 plus years duration of this plan. Each chapter includes a chart titled Action Steps that spells out the tasks assigned to each party.



## CHAPTER 1

# ADOPTING THE MASTER PLAN AND PUD

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The single most effective step in implementing a master plan is to have it adopted as the approved plan and PUD by all relevant units of government. This is especially important given that implementing the Master Plan could take up to 20 years; much longer than the elected terms of a Mayor or City Council member; longer than most city staff hold their jobs and long enough to endure multiple highs and lows of the economy. This emphasis on Plan adoption builds resilience into the plan by linking it to the future work of many independent institutions.

# COORDINATING PROJECTS WITHIN THE 5 CENSUS TRACTS

## COORDINATING PROJECTS WITHIN THE 5 CENSUS TRACTS

While the Master Plan primarily focuses on Colony Park area, an overall coordination of projects in the surrounding area will be needed in order to ensure that the greater development is cohesive and not in conflict with goals set forth by the Master Plan. There are a set of set of steps that the City of Austin and its respective departments should further study, and pursue as funding becomes available that would have a positive outcome in this area and both help spur and leverage the private development planned for Colony Park. Coordination of these projects across the 5 census tracts will result in the most successful implementation of the goals of the Colony Park Master Plan.

## CREATING A “HALO” EFFECT

Implementation of the Colony Park Master Plan will offer significant benefits to the surrounding neighborhoods. The project itself offers a host of benefits that will immediately benefit the adjacent neighborhoods through the creation of new public facilities, new businesses and retail, and community services. In addition, future investments in the surrounding area will be spurred by initial public investment in the project.

| ACTION STEPS TO COORDINATING PROJECTS WITHIN THE 5 CENSUS TRACTS |  |   |        |
|--|--|---|--------|
|  | Action   | Lead Entities   | Status |
| 1  | Adopt a City of Austin ordinance for a Collector Plan for Colony Park and properties to the north to improve connectivity.   | NHCD/AHFC; ATD  |        |
| 2  | Create a public trail easement along the Power line on land owned by private owner to the north of the Project Site, to connect the Project Site to Walter E. Long Lake.   | ORES; PWD; PARD; ATD (only if PARD land is involved)  |        |
| 3  | PARD should work with the private property owner to the north of project site (when they submit to the COA) to extend the Fingers of Nature as dedicated public park land. | PARD; ORES  |        |
| 4  | Require street connections from Colony Park to the private property, located north of the Project Site to Decker.  | ORES; PWD; ATD; Travis County                         |        |
| 5  | Ensure that Austin Resource Recovery (ARR) plans show a new street from Johnny Morris to the railroad tracks. Work to secure funding to build the street.                  | NHCD/AHFC; ARR; ATD; PWD                              |        |
| 6  | Identify property index numbers of Lakeside units where new streets are proposed.  | NHCD/AHFC   |        |
| 7  | Identify funds that would allow for future street connections in accordance with the Street Plan.  | ATD; PWD; CPO   |        |
| 8  | Negotiate a local jobs set aside with the Expo Center and Golf course projects.  | Small and Minority Business Resources (SMBR); PARD    |        |
| 9  | PARD to include an aquatics center in next PARD Capital improvements budget request.   | CPNA; PARD  |        |
| 10   | Work with the Housing Authority of the City of Austin (HACA) to ensure landlords are maintaining buildings, that utilize Section 8 vouchers, to HACA standards.            | NHCD/AHFC   |        |
| 11   | Petition to establish a tax increment financing mechanism over the Study Area.   | FSD   |        |
| 12   | Promote energy efficiency assistance to existing Colony Park and Lakeside residents; target 5% sign up by 2017.  | AEGB  |        |
| 13   | Impacted utilities should be included to review capacity requirements and potential supporting infrastructure projects.  | PWD; AE; AWU; ATD                                     |        |
| 14   | Conduct analysis of impacted utilities to review capacity requirements and potential supporting infrastructure projects necessary  | NHCD/AHFC; Communications and Public Relations Office |        |

# DETAILS OF ADOPTION OF THE MASTER PLAN

The adoption of the Master Plan will have to occur at multiple levels and through various agencies. In addition to the acceptance and adoption by City Council (priority), the Parks and Recreation Department, and as part of the Imagine Austin Plan, components of the plan will need support from the City’s Finance Department in researching the best mechanisms with which to fund the Implementation Plan. Specifically, the Austin Transportation Department (ATD), with Capital Area Metropolitan Planning Organization (CAMPO), should take action to approve the Master Plan as part of their Long Range Transportation Plan and elements of the Plan should be included in their next Transportation Improvement Plan.

## ADDITIONAL BENEFITS OF ADOPTION

Adoption as part of municipal plans will make CPSCI projects eligible for funding from federal sources, such as Transportation Investment Generating Economic Recovery (TIGER) grants and Transportation Infrastructure Finance and Innovation Act (TIFIA) loans.

## AUSTIN CITY COUNCIL CHANGE

The current “at-large” Council elections were replaced in November of 2014 with ten district Council Members and a Mayor elected at large. This transition will mostly likely impact the timely approval of important City projects and initiatives. It is critical that the Master Plan be adopted by the current City Council in order to maintain project momentum and comply with the HUD grant guidelines. Once the new council is seated they will be briefed on the plan.

| ACTION STEPS TO ADOPTING THE MASTER PLAN              |   |                     |        |
|---|---|---------------------|--------|
| Action  |   | Lead Entities       | Status |
| <b>Focused on the 301 Acres of AHFC and PARD Land</b> |   |                     |        |
| 1   | Adopt the Colony Park Master Plan.  | Austin City Council |        |
| 2   | Amend the Imagine Austin Comprehensive Plan to include the Colony Park Master Plan.   | Austin City Council |        |
| 3   | Include location of Colony Park TOD in the CAP Metro Long-Range Plan  | CAP Metro           |        |
| 4   | Solicit a letter of support or enter into an MOU with the Colony Park Neighborhood Association affirming support for the Colony Park Master Plan. | NHCD/AHFC           |        |
| 5   | COA Departments enter into interdepartmental MOU to develop Colony Park District Park Plan.   | NHCD/AHFC;PARD      |        |
| 6   | Brief new Mayor and Council on the Colony Park Master Plan.   | NHCD/AHFC           |        |



## CHAPTER 2

# SETTING THE STAGE FOR DEVELOPMENT

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The role of the public sector is to set the stage for the effective involvement of a private sector developer. In order to attract the best possible developer, offering the best possible development terms, the effort in setting the stage for development needs to start prior to developer selection. This has many aspects enumerated in this Chapter.

# THE ROLE OF THE CITY OF AUSTIN AND OTHER UNITS OF GOVERNMENT

## DEDICATING COA STAFF TO THE COLONY PARK PROJECT

To effectively coordinate the plan’s implementation, the City of Austin will need full-time staff dedicated to this project. One staff member may be placed in the Economic Development Department for increased inter-departmental coordination. The City of Austin NHCD Department, with AHFC, should also appoint a permanent project manager and review team for all plats, construction documents, and site development plans that will be submitted for review throughout the buildout.

## STANDING INTERGOVERNMENTAL COORDINATION/WORKING GROUP

Given the size and complexity of the Colony Park Master Plan, the implementation process requires close coordination amongst City departments and other units of government. This includes, but is not limited to: Austin Housing Finance Corporation (AHFC), Planning and Development Review, Economic Development, Parks and Recreation Department (PARC), Austin Energy Green Building (AEGB), Austin Resource Recovery (ARR), Public Works (PWD), Capital Planning Office (CPO), Austin Transportation Department (ATD), Austin Water Utility (AWU), Watershed Protection, CAP Metro, Arts Commission, Austin Independent School District (AISD), and Travis County. This coordination can be achieved through the establishment of an intergovernmental working group with participants likely drawn from the current TAG. It will be the responsibility of the NHCD Department and AHFC to coordinate among different entities and assign lead entities to tasks as deemed appropriate.

| ACTION STEPS BY COA AND OTHER UNITS OF GOVERNMENT |  |                 |        |
|---|--|-----------------|--------|
| Short-Term Action                                 |  | Lead Entities   | Status |
| 1   | Identify staff dedicated to Colony Park in the offices of Economic Development Department and at Austin Energy Green Building. | NHCD/AHFC; AEGB |        |
| 2   | Designate a Project Manager and Review Team to review Colony Park plats, construction documents, site plans, etc.              | NHCD/AHFC       |        |
| Long-Term Action                                  |  | Lead Entities   | Status |
| 3   | Prepare feasibility memo to better align school district boundaries.   | NHCD/AHFC       |        |
| 4   | Neighborhood Housing and Community Development to publish policies and programs to promote housing affordability.              | NHCD/AHFC       |        |
| 5   | City of Austin to evaluate the feasibility of annexing land to assure coordinated economic development.                        | NHCD/AHFC; PDRD |        |

## LINING UP DEVELOPMENT RESOURCES

### TOOLBOX OF STRATEGIC PARTNERSHIPS AND FUNDING

While the Master Plan and Design Guidelines will direct the developer about the framework within which to develop the land, the stage must first be set to attract developers with a toolbox of funding sources and an Advisory Committee that will advise upon the design of the solicitation documents.

#### INITIATE STRATEGIC PARTNERSHIPS:

In order to implement the menu of ideas contained in the Colony Park master plan strategic partnerships must be initiated by the City of Austin. These partnerships become resources to the project and expand the capacities of the private sector developer to implement the master plan.

**Community Gardens:** The master plan identifies areas for community gardens. COA should begin to identify partners with experience in community gardening and food production and engage them in how to implement the Colony Park plan.

**Car Share:** Neighborhoods equipped with share cars allow families that live in them to own fewer cars and save thousands of dollars per year. In order to convince families to rely on share cars rather than own their own vehicles, it is important that the cars

be available from the first day of the development. It is important that the COA engage with car and bike share entities or bicycle-related non-profits to partner with the developers to place cars and bikes at Colony Park from day one.

**Bike Share and/or Bicycle Library:** Bike share is similar to car share in two key ways: it is enabled by credit cards and it is typically first located in highly trafficked downtown locations. To enable access to nearby jobs, the PARD parks, the fingers of nature, the county fairgrounds and other nearby destinations the establishment of an outpost of bike share in the colony park neighborhood is recommended.

A Bicycle Library would not require a credit card and could be developed through a partnership with one of the many local bicycle-related non-profit organizations. A bicycle library functions much like a regular library in that a person can check out a bicycle for a designated amount of time. This would require the development of a central, community-based hub which would allow for opportunities in bicycle education, bicycle safety, and bicycle maintenance. Frequent users may even be able to explore rent-to-own opportunities for bicycles. As bike share systems generally promote short, 30-minute trips, a bicycle library would allow for additional flexibility by allowing usage of CapMetro buses and a bicycle commute into downtown Austin from Colony Park (approximately 50 minutes by bicycle).

**Reclaimed Water:** The plan envisions Colony Park to be built with infrastructure that is “purple-pipe” ready. In advance of developer selection, NHCD should coordinate with the Austin Water Utility to define the terms and conditions under which they will extend reclaimed water supply to the Colony Park site.

**Community Solar:** Austin Energy has expressed interest in finding pilot projects willing to incorporate community solar facilities. The Colony Park master plan designates land areas and parking lots that can accommodate community solar. NHCD/AHFC, along with the selected developer should Maintain a dialogue with Austin Energy to facilitate the incorporation of community solar.

#### POTENTIAL FUNDING SOURCES:

**State of Texas Enterprise Zone Program:** Promotes job creation in economically distressed areas, and would likely be a key capital source for institutional and commercial uses in the project site. The City may nominate the development as an Enterprise Project. An enterprise project is a business that is nominated by an enterprise zone governing body and approved by the Texas Economic Department (TxED) for state and local benefits. The program would allow the Developer to apply for state sales and use tax refunds, with a maximum refund of \$2,500 per job created for most projects.

**Chapter 380 of the Texas Local Government Code:** Allows cities to provide incentives to commercial and retail projects. These incentives refund a portion of future sales tax revenues back to developers according to a long-term contract with the municipal government. Chapter 380 may be a source of gap financing for developers of any commercial projects at Colony Park, and represent low-risk reimbursement for the City. In order to take advantage of this funding source a change in City Council policy will be required.

**Federal New Market Tax Credits (NMTC):** Provide federal income tax credits to investors in Community Development Entities (CDE's) that invest in low-income communities like the area surrounding the project site. NMTC fund commercial investments that generate jobs and spur reinvestment. They are highly competitive, as they provide significant benefits (39% of original investment amount) to investors in distressed areas. Structurally, NMTCs are provided to the Developer and then sold on the secondary market, providing immediate equity for project development.

**TxDOT Highway Funds:** TxDOT funds may be available for pedestrian, bicycle and safety purposes, as well as, for the startup of enhanced bus services and related signage, wayfinding systems, and any facilities. These funds may be particularly applicable for improvements on Decker Lane, a TxDOT road.

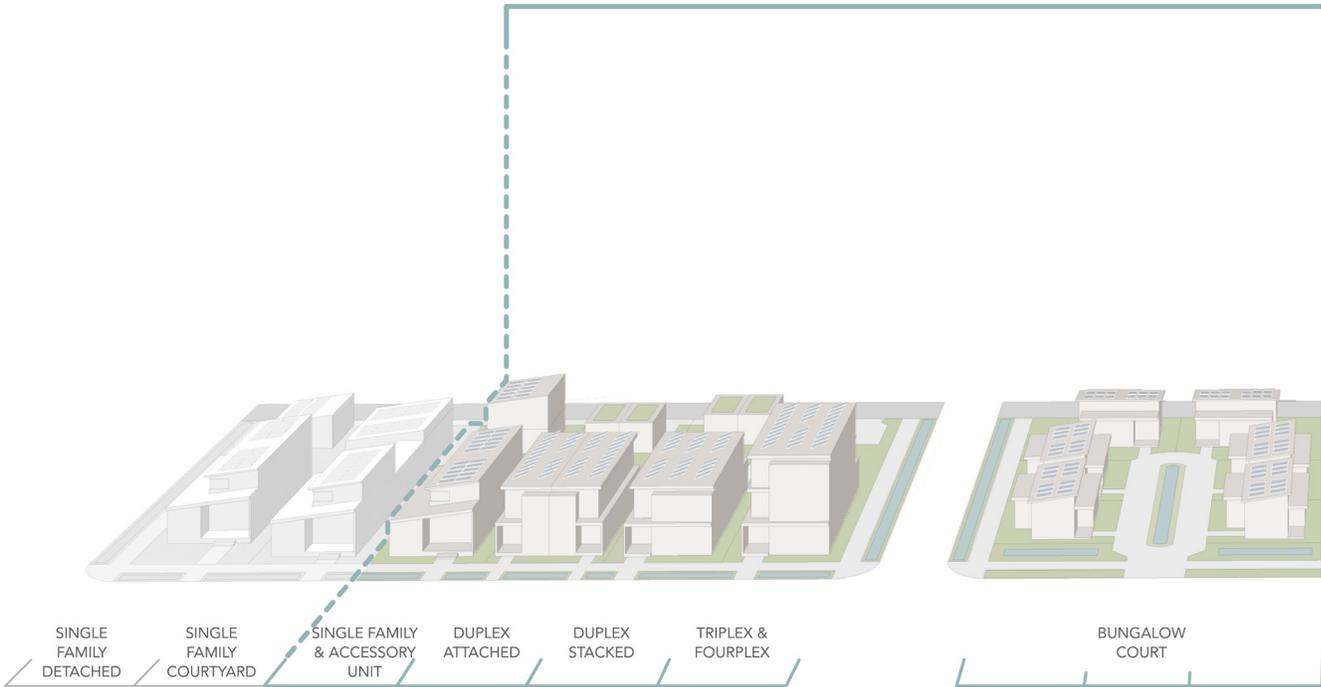
**US Treasury Department's Community Development Financial Institutions Fund:** These funds specialize in financing community health facilities; many recipients already exist in Austin.

#### **Colony Park Foundation and a 1% Sales Transfer Tax**

Communities are better positioned to sustain themselves when equipped with some revenue to invest in maintenance and building community. It is strongly recommend that a property transfer tax be levied against all sales within the 208 acre project boundary. The transfer tax will be paid by the seller of the property. The proceeds of this tax can go to fund a foundation. Funds might be used to support community gardens, arts programs, summer jobs, sidewalk promotions, concert series, cultural programming or other community benefits.

| ACTION MEASURES FOR LINING UP FUNDING AND RESOURCES |   |                 |        |
|---|---|-----------------|--------|
| Action  |   | Lead Entities   | Status |
| 1   | Austin Housing Finance Corporation lines up financial resources to support consultants to lead the developer procurement process.                                 | AHFC            |        |
| 2   | Promote the Colony Park Plan among developers via web, mailings, meetings, and presentations.   | NHCD/AHFC; EDD  |        |
| 3   | Promote the innovation district as a development site among the STEM and healthcare sectors.  | EDD; NHCD/AHFC  |        |
| 4   | Authorize the funding for the studies necessary to support the study of items including, but not limited to, the creation of a TIF.                               | FSD             |        |
| 5   | Deploy COA financial counseling and programs to facilitate homeownership as an ongoing service for existing Colony Park residents                                 | AHFC            |        |
| 6   | Seek PARD funding for trail system in the PARD land and the Project Site.   | NHCD/AHFC; PARD |        |
| 7   | Line up letters of interest from transportation partners willing to locate future Car Share and Bike Share on 208 acres and the terms they will require to do so. | NHCD/AHFC       |        |
| 8   | Hold a workshop to identify banks willing to loan using Accessory Dwelling Unit rental income to increase mortgage amounts.                                       | NHCD/AHFC       |        |
| 9   | Identify funding and resources to create and install public art in Colony Park, as per recommendations in the Master Plan.  | NHCD/AHFC; EDD  |        |
| 10  | Create an entity to manage funds and programs for the community's benefit.  | AHFC            |        |
| 11  | Contact banks requiring CRA credits to alert them to the opportunity to lend in Colony Park and include the resulting list in the developer RFQ and RFP.          | NHCD/AHFC       |        |

## THE MISSING



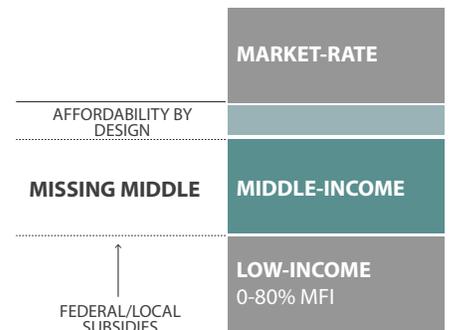
# TACKLING COMPREHENSIVE AFFORDABILITY

In recent years the understanding of household affordability has been expanded beyond the cost of housing to include energy and transportation costs. Traditionally housing affordability was met if a household spent no more than 30% of their income on housing. A new standard called the H + T affordability index has proposed that affordability is met if a household does not spend more than 45% of their income on housing and transportation combined. The H + T target of 45% of family income is a design target in the Colony Park master plan. This section will address affordability comprehensively.

A significant part of the Plan and its primary goals is to provide high-quality affordable housing. Several programs are in place that serve very low-income families, however, these programs do not always ensure sustained affordability beyond the occupation of the first generation and also do not always provide the option of rental and for sale housing.

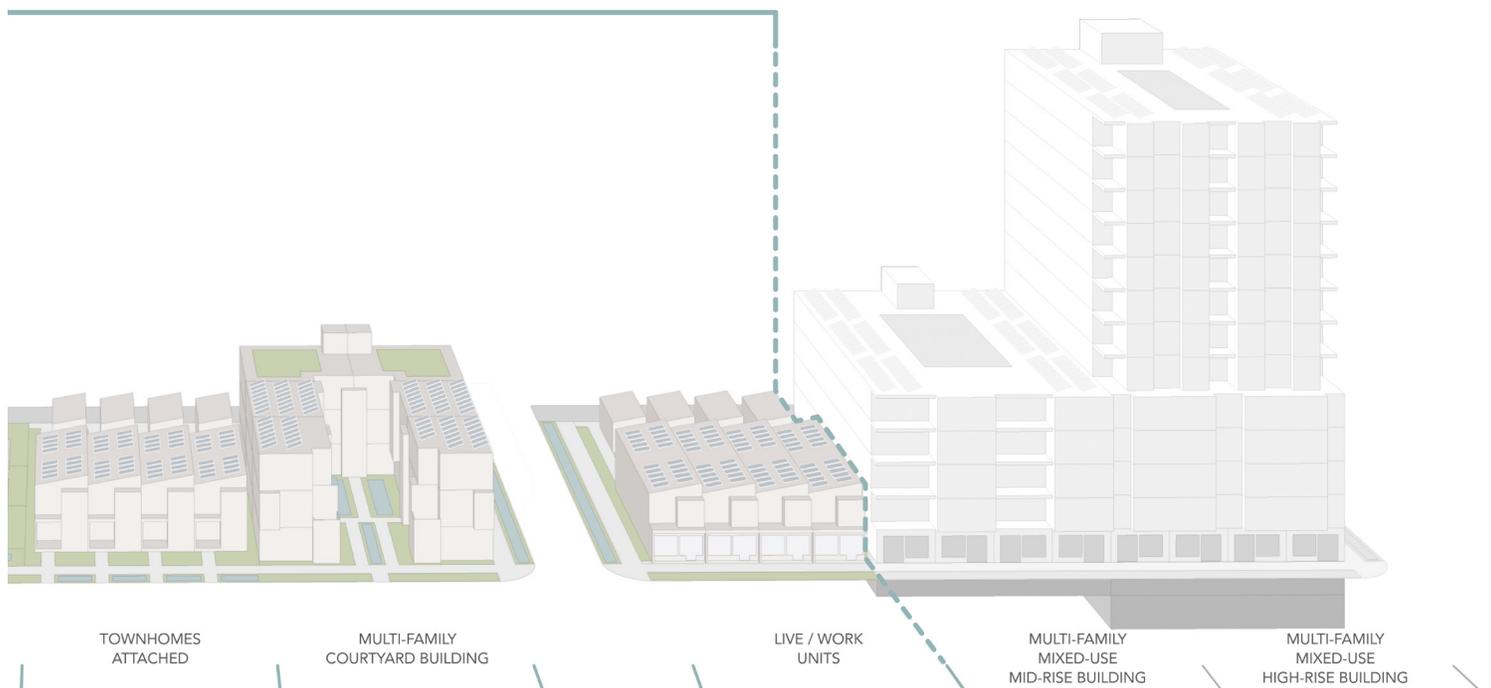
## THE “MISSING MIDDLE”

Austin currently suffers from the “missing middle” dilemma, an economic disparity among Austin’s affordable housing market. On the one hand, there is a group of people that have earnings exceeding those needed for income-restricted housing, but also are not able to afford market-rate housing. While smaller home footprints, coupled with lower operational costs can create more affordability through design, further consideration is needed by the City for this type of workforce housing and to maintain second or third-generation sustainability. There is also a range of housing types missing that currently are very limited in availability in Austin’s housing stock. A combination of subsidies, developer incentives, and design decisions will contribute to overall affordability in Colony Park and overcoming the city-wide shortage. By providing a range of choices, physical and economic, Colony Park will be a development that will be able to house residents throughout their life cycle.



Missing Middle: Economics  
Source: Farr Associates

## MIDDLE



Missing Middle Housing Types  
Source: Farr Associates

For purposes of this Master Plan, affordable housing is proposed at three levels:

- INCOME RESTRICTED HOUSING
- WORKFORCE HOUSING
- MARKET-RATE HOUSING

#### INCOME-RESTRICTED HOUSING: LESS THAN 80% MEDIAN FAMILY INCOME

Income-restricted housing refers to households earning below 80% of the MFI. Rental housing subsidies are offered to those residents under 60% MFI, whereas, “for-sale” housing assistance is provided to those below 80% MFI. It is recommended that the City of Austin require that 20% of the housing at Colony Park be income-restricted. This may be phased with the phasing of the development. There should also be a restrictive covenant placed on income-restricted housing to ensure long-term affordability. Income-restricted rental housing will also require on-site management and maintenance for upkeep of properties.

#### POTENTIAL INCOME-RESTRICTED HOUSING TOOLS

Source: Farr Associates

| INCOME REQUIREMENTS | PROGRAM                               | TENURE              | BUILDING TYPE | FUNDING AGENCY                      | PROGRAM DESCRIPTION  |
|---------------------|---------------------------------------|---------------------|---------------|-------------------------------------|--|
| Below 60% MFI       | <b>LOW-INCOME HOUSING TAX CREDITS</b> | Rental              | SF/MF         | Federal (through State of Texas)    | The LIHTC program provides incentives for utilizing private equity for the development of low-income housing. While there are some regulations that must be followed, such as the amount of credits that developers can obtain, states and local agencies are responsible for regulating and setting goals of the program. This means local governments can add stipulations based on the demand of the neighborhood they are serving and response from developers.  |
| Below 80% MFI       | <b>SMART HOUSING</b>                  | For Sale;<br>Rental | SF/MF         | City of Austin                      | When the Developer provides a certain % of SMART “reasonably priced” Units, the City of Austin provides a comparable % of fee waivers and fast-track review.   |
| Below 80% MFI       | <b>DOWN PAYMENT ASSISTANCE</b>        | For Sale            | SF/MF         | City of Austin                      | DPA is for first-time buyers. Standard DPA provides up to \$10,000 in a deferred, forgivable, 0% interest loan for 10 years. Shared Equity DPA provides up to \$40,000 in a deferred, 0% interest loan for 30 years. Borrowers must pay back the DPA loan plus a % of their equity.  |
| Below 60% MFI       | <b>HUD SECTION 202</b>                | Rental              | SF/MF         | HUD (Through Non-Profit)            | HUD provides interest-free capital advances to private, non-profit sponsors to finance the development of supportive housing for the elderly. The capital advance does not have to be repaid as long as the project serves very low-income elderly persons for 40 years.   |
| Below 60% MFI       | <b>COMMUNITY LAND TRUST</b>           | Rental              | SF/MF         | City of Austin (through Non-Profit) | A Non-Profit group retains ownership of the land, but can sell building rights to individual homeowners, other non-profit organizations, for-profit entities, or governmental agencies. The CLT has a long-term lease on the land, ensuring affordability. CLT boards are mostly comprised of members that live on the property and are bound to maintain affordability. The Non-Profit also has the option to buy any part of the property an owner wants to sell. The CLT maintains an interest on the uses of the property and requires that owners comply with requirements. |

| INCOME REQUIREMENTS | PROGRAM  | TENURE | BUILDING TYPE | FUNDING AGENCY                              | PROGRAM DESCRIPTION  |
|---------------------|--|--------|---------------|---|--|
| Below 50% MFI       | <b>HUD SECTION 811</b>                                     | Rental | SF/MF         | HUD (through Non-Profit)                    | HUD provides interest-free capital advances to private, non-profit sponsors to finance the development of supportive housing for the disabled. The capital advance does not have to be repaid as long as the project serves very low-income disabled persons for 40 years. |
| Below 60% MFI       | <b>RENTAL HOUSING DEVELOPER ASSISTANCE AND DEVELOPMENT</b> | Rental | SF/MF         | Local Government Housing Financing Agencies | Program is expected to provide financing for the acquisition, rehabilitation, new construction, debt relief, or rent “buy-downs” for affordable rental housing projects. Financing is provided to both for-profit and non-profit developers, including CHDOs               |

### WORKFORCE HOUSING AFFORDABILITY: 80% TO 120% MEDIAN FAMILY INCOME

Workforce housing applies to households that are 80%-120% of MFI. This group is often comprised of public safety workers, teachers, architects, computer programmers, and nurses. While federal and local subsidies are not available for this cohort, affordability can still be achieved through other means. Partnering with non-profit housing developers or creating a Colony Park Foundation would be especially effective for affordability in this range. Non-profits can create and manage land trusts and housing cooperatives, two methods for maintaining long-term affordability for a range of incomes. It is recommended that the City highly encourage 10% of the housing units in the project site to be workforce housing.

### POTENTIAL WORKFORCE HOUSING TOOLS

Source: Farr Associates

| PROGRAM                                   | TENURE   | BUILDING TYPE | FUNDING AGENCY                                      | PROGRAM DESCRIPTION  |
|---|----------|---------------|---|--|
| <b>COMMUNITY LAND TRUST</b>               | For Sale | SF/MF         | City of Austin (through Non-Profit)                 | A Non-Profit group retains ownership of the land, but can sell building rights to individual homeowners, other non-profit organizations, for-profit entities, or governmental agencies. The CLT has a long-term lease on the land, ensuring affordability. CLT boards are mostly comprised of members that live on the property and are bound to maintain affordability. The Non-Profit also has the option to buy any part of the property an owner wants to sell. The CLT maintains an interest on the uses of the property and requires that owners comply with requirements. |
| <b>LIMITED EQUITY HOUSING COOPERATIVE</b> | For Sale | SF/MF         | City of Austin (through Non-Profit)                 | A limited equity cooperative is a member-based legal entity in which members pool their resources together and share ownership of the building/development. A limited equity co-op maintains affordability by limiting the purchase price and appreciation rate of a share. The housing cooperative serves as the de facto landlord, with an elected board that decides on future members (residents) and property management issues.  |
| <b>MORTGAGE CREDIT CERTIFICATES</b>       | For Sale | SF/MF         | Administered by State and Local agencies            | The program allows the home buyer to claim a dollar-for-dollar tax credit for up to 40% of the mortgage interest paid per year, up to \$2000. The remaining mortgage interest paid may still be calculated as an itemized deduction.   |
| <b>MORTGAGE REVENUE BONDS</b>             | For Sale | SF/MF         | State and Local Government Housing Finance Agencies | The funds generated from the sale of bonds creates a pool of mortgage funds with below-market interest rates for first-time, low-and moderate-income homebuyers. The bonds are repaid through the homeowners’ monthly mortgage payments.   |
| <b>MORTGAGE REVENUE BONDS</b>             | Rental   | MF            | State and Local Government Housing Finance Agencies | The funds generated from the sale of bonds creates a pool of funds to acquire, construct, or rehabilitate multifamily rental housing. Generally, a specified proportion of the units will be rented to and low-and moderate-income families. Can also be used for seniors-only developments. The bonds are repaid through monthly rents.   |

| PROGRAM                                    | TENURE              | BUILDING TYPE | FUNDING AGENCY         | PROGRAM DESCRIPTION  |
|--|---------------------|---------------|------------------------|--|
| <b>EMPLOYER HOUSING ASSISTANCE PROGRAM</b> | For Sale;<br>Rental | SF/MF         | NHCD/AHFC/<br>Employer | Employer-Assisted Housing refers to any employer-sponsored program that provides assistance, including education, counseling and financial assistance, to employees in obtaining affordable housing. It also refers to government-sponsored programs, including matching programs, to help residents purchase homes in the communities in which they work. |

**AFFORDABLE MARKET-RATE HOUSING: GREATER THAN 120% MEDIAN FAMILY INCOME**

Market-rate housing is geared towards households earning greater than 120% of MFI. While the term “market-rate housing” does not imply affordability, the design of the Master Plan and the accompanying Design Guidelines still provide opportunities for inherent affordability. The following are some of the methods and opportunities available for increasing affordability in market-rate homes.

*SMALL LOT SIZES*

The Master Plan requires that blocks be subdivided into small lot sizes. Smaller lot sizes means buyers have to purchase less land, lowering their mortgage and taxes. Less land also means that less maintenance will be required, affecting operational costs.

*ACCESSORY DWELLING UNITS*

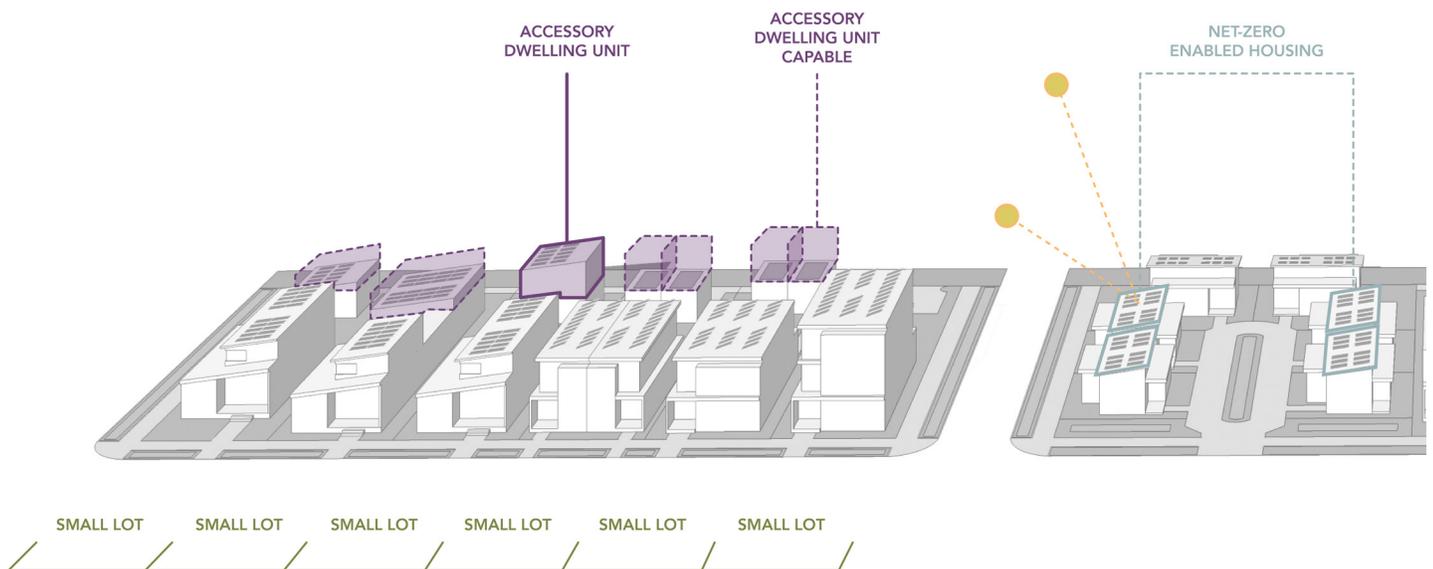
Accessory Dwelling Units increase affordability in two ways. The first is by providing renters with an option for a very small apartment, with presumably lower rents. The second is that the ADU can become an additional source of income for the homeowner, so while it doesn’t make the actual home more affordable, it does increase the household income.

*LIVE/WORK UNITS*

Live/work spaces themselves are not necessarily affordable housing units, but reduce the need for additional studio/office space that would cost more money and allow a person to earn an income from their home.

*SHARED WALLS*

Building with shared walls (such as in townhomes and duplexes) lowers construction costs for developer, thus lowering the cost of the housing.



### NET-ZERO ENABLED HOUSING

A net-zero building has zero net energy consumption, meaning the amount of energy used by the building is roughly equal to the amount of renewable energy created on the site. Net-Zero housing can significantly reduce operational costs of a home.

### REDUCED PARKING

Reducing the number of parking units per home has many indirect benefits, one of them being that less land is required for the development of residential units, thus reducing initial costs for a Developer. With the less parking, future maintenance of property costs are also lowered, as there is less land to maintain. Furthermore, the Developer can put the money saved towards additional units, increasing density of the development, without losing a return on investment.

### MOBILITY CHOICE

According to the Center for Neighborhood Technology's Housing and Transportation Index, Colony Park families spend on average more than 15% of their income on transportation. In order to address this high cost the Colony Park plan proposes a menu of mobility choices described below. Given that this transportation premium applies to all families a robust promotion of these mobility measures has the potential to provide a fiscal benefit equal or greater than the investment in income-restricted housing.

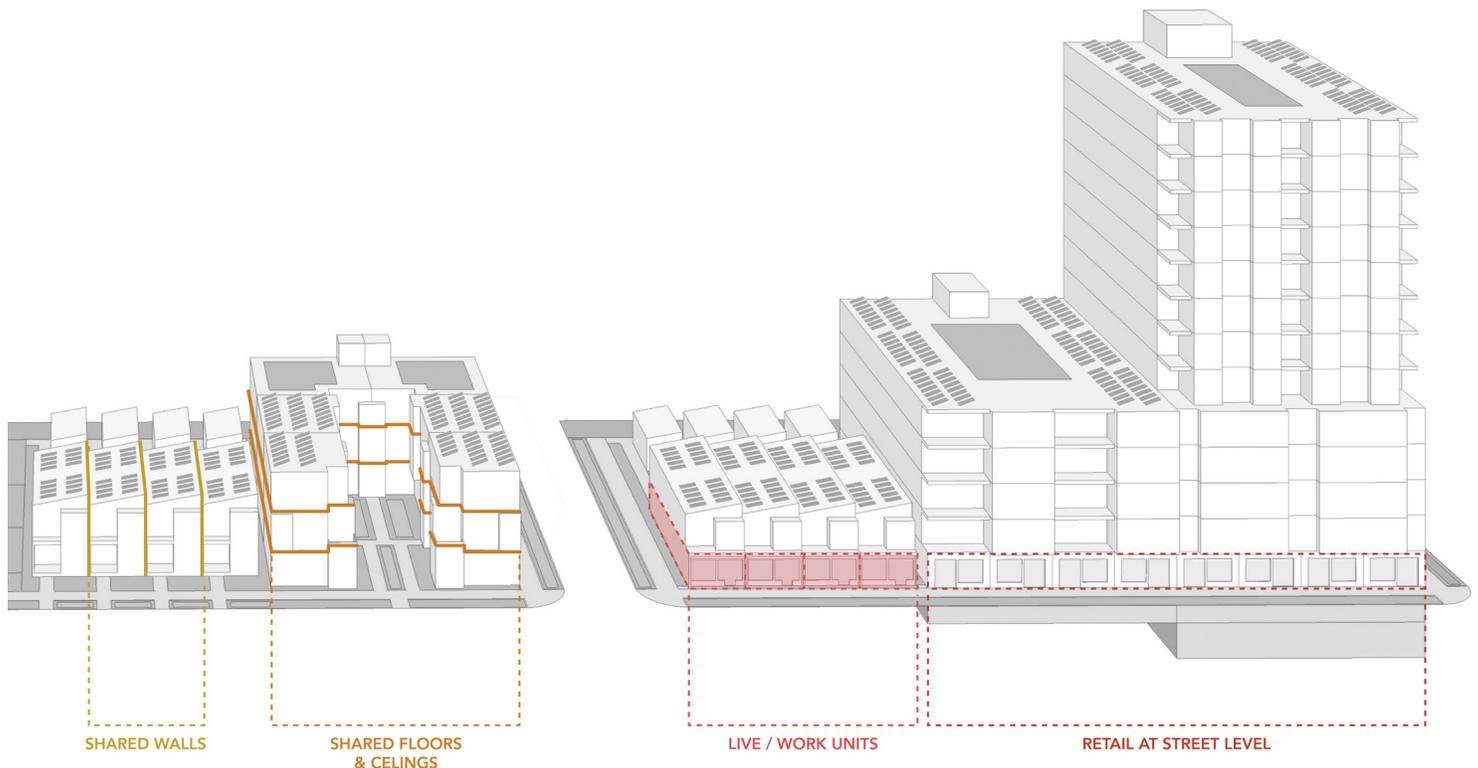
### CAR SHARE

Cars cost anywhere from \$5,000 to \$8,000 per year to own and operate. For the foreseeable future Colony Park families will need to have access to a car but many not need to own that car. Car sharing is an emerging technology that is part of the so-called "share economy", enabled by the widespread use of smart phones. Families that use share cars weekly may spend only \$1000 per year, resulting in a large savings. Share cars can take the place of as many as 14 private vehicles, greatly reducing the cost of living in areas served by share car.

Studies demonstrate the people's travel habits are established when they first locate in an area and that a move to a new home is an ideal time to prompt people to consider new options. In order to maximize changes it is important to have a share car in place when the first family moves in and plans to expand the fleet in proportion to the population.

Share cars typically first introduced in a city in the downtown, in higher density neighborhoods and near universities.

For this reason we strongly recommend that a partnership be developed with a share car company to enable this lower cost of living in a newly developing place far from normal share car locations.



Features Contributing to Affordability  
Source: Farr Associates

### *BIKE SHARE & BICYCLE LIBRARIES*

Bike share is similar to car share in two key ways: it is enabled by credit cards and it is typically first located in highly trafficked downtown locations. To enable access to nearby jobs, the PARD parks, the fingers of nature, the county fairgrounds and other nearby destinations the establishment of an outpost of bike share in Colony Park is recommended.

A Bicycle Library functions much like a regular library in that a person can check out a bicycle for a designated amount of time. A Bicycle Library would not require a credit card and could be developed through a partnership with one of the many local bicycle-related non-profit organizations. This would require the development of a central, community-based hub which would allow for opportunities in bicycle education, bicycle safety, and bicycle maintenance. Frequent users may even be able to explore rent-to-own opportunities for bicycles. As bike share systems generally promote short, 30-minute trips, a bicycle library would allow for additional flexibility by allowing usage of CapMetro buses and a bicycle commute into downtown Austin from Colony Park (approximately 50 minutes by bicycle).

### *ENHANCED BUS SERVICE*

We recommend that as development advances at Colony Park that NHCD work with Cap Metro to increase both the frequency of service and the number of routes.

### *COMMUTER RAIL*

Cap Metro's long range plan currently proposes a new station at Loyola Lane. We recommend that Cap Metro's long range plan be amended to reflect a preferred station location at the northwest corner of the 208 acre Colony Park master plan (adjacent to Neighborhood 4).

## **OPTIMIZING REWARDS AND RISKS IN PUBLIC/PRIVATE PARTNERSHIPS**

### **OPTIMIZING REWARDS**

The Colony Park master plan is laden with benefits for the future residents as well as the community at large. In order to maximize both private and public benefits the COA will need to manage political, development and financial risk. This section frames the choices that the COA will face in implementing this plan.

### **MANAGING RISK**

The Colony Park Master Plan is vulnerable to the risks faced by any large-scale master planned development. However, timely collaboration, thoughtful implementation, and adherence to the Master Plan framework can decrease those risks. This ambitious project could also make the Colony Park Master Plan a model for future public-private partnerships and will certainly be a catalyst for further public and private investment in Northeast Austin.

#### **ECONOMIC RISKS TO THE PUBLIC PARTNER**

The chief financial risk to the public sector is the return on the funding it provides for infrastructure improvements. A strong private market response would generate future revenues that pay for the initial investment. AHFC and NHCD may have to consider providing some sort of credit enhancement or funding agreement at the onset of the developer agreement. Other possible actions could include an extended land takedown schedule that does not require the developer to carry excess land inventory. AHFC and NHCD's other primary contribution to the project, the land itself, carries little downside risk since it is not highly valued today. The two agencies will need to structure the public-private partnership that guides project implementation to ensure fair participation in future land sale proceeds.

#### **SOCIAL AND COMMUNITY RISKS TO THE PUBLIC PARTNER**

The Colony Park community has also invested considerable time and energy in working with the City and Master Plan team to help craft a plan that embraces the positive attributes of the neighborhood, while developing strategies to mitigate negative influences such as absentee ownership and landlords, as well as overcoming the transportation challenges of the neighborhood location. A balance between an honest assessment of current conditions and an optimistic view of the market has been achieved and must be maintained.

## SOCIAL AND COMMUNITY RISKS TO THE PRIVATE PARTNER

The private development partner, the Master Developer, faces several risks in taking on this project. The foremost risk is market risk. Real estate products will need to command higher prices than currently realized in the surrounding area. Public sector investment in initial infrastructure and agreement to a gradual land take-down schedule will help significantly mitigate this risk. Similarly, use of tax increment financing (and a guarantee of increment by the City) or another funding source to fund infrastructure will reduce overall project costs and thus reduce risk to the Master Developer. Non-monetary contributions (e.g. facilitation of locating an institutional anchor; locating a City festival in the neighborhood) will also help drive project awareness and reduce market risk. Given the market risk involved in this project, actions should be taken to minimize regulatory risk. Given the flexibility built into the Master Plan design, as well as flexibility in the phasing and delivery, much of the regulatory risk can be mitigated.

## COMMUNITY INVOLVEMENT DURING IMPLEMENTATION

The City of Austin, partnering agencies, and their private sector development partners will have to make sure they include existing residents of Colony Park in the development process in order to ensure ongoing community buy-in with the Master Plan. Cooperation should be requested from surrounding developments and businesses in design, governance, and future public improvement initiatives as the Plan is implemented in the coming years. Also, good community relations are essential in obtaining routine cooperation to minimize construction related disruptions.

### DEVELOPER SELECTION COMMITTEE

It is recommended that a committee derived from the CPSCI working group be identified to assist in the developer selection. This committee should consist of COA staff representing appropriate departments, volunteer development professionals with experience in large scale master planned communities such as Mueller and appropriate community representation. It may also be appropriate to include members of the consultant team to assure a consistency with the master plan vision.

### DEVELOPER'S DESIGN REVIEW COMMITTEE

The greater Colony Park community (as expressed through the CAC) has expressed an interest in having an ongoing seat at the table as the project progresses. A developer-led Design Review Committee is one means to do this. The establishment of a Design Review Committee is a preferred method of doing this. The Design Review Committee should be headed and staffed by the Master Developer and comprised, at a minimum, of the following members:

- Lead Design Reviewer: Will handle day-to-day design decisions independent of the rest of the Design Review Committee; any policy decisions will require participation by the entire Committee.
- Sustainability Officer
- Chief Engineer
- Landscape Officer
- Marketing/PR Officer
- Austin Energy Green Building representative
- Appropriate City of Austin Department representatives
- Community Representative (especially for development abutting existing neighborhoods and public lands).

### COLONY PARK FOUNDATION (A benefits foundation)

We propose the creation of a community foundation in order to build community through programming and to upkeep and maintain public facilities. This institution could support the 208-acre site, the Colony Park District Park, and the adjacent Colony Park and Lakeside neighborhoods. Funding could come from two different sources: Eco-Cottages and a real estate transfer tax paid by the seller of the property.

### ECO-COTTAGES

The eco-cottages were designed to offer a unique living and working experience adjacent to the fingers of nature. They could be important parts of the local economy by offering job opportunities for residents and creating rental income to support the community foundation. The eco-cottages could be owned by a partnership between the developer and the community foundation and managed privately. Funding to build these structures can include a blending of public and private sources.

## HOMEOWNERS ASSOCIATION(208 ACRES)

Developers use the tool of the Homeowner’s Association to guide an orderly transfer of common elements and liability to all the buyers of individual lots and buildings. While this tool is not available for the existing Colony Park and Lakeside neighborhoods the existence of a Homeowner’s Association for the 208 acres ensures that the new development will have community oversight.

## INCUBATOR RETAIL

The Colony Park Master Plan envisions ground floor retail on the Town Center main street. We strongly recommend that part of this be developed as a business incubator similar to one sponsored on East 11th Street and in the Downtown 2nd Street District by the COA Economic Development Department. The Colony Park incubator should focus on addressing the many unmet needs for goods and services with locally owned and staffed startups.

## SETTING UP EXPECTATIONS FOR SUSTAINABILITY

Sustainability is one of the core tenets of the Colony Park Master Plan. A commitment to meet the AEGB 2-star rating requirements outlined in the Master Plan should be obtained during the developer procurement and agreement stage. It should be the developer’s responsibility to deliver on the minimum requirements listed.

The AEGB 2-star rating, however, only establishes a minimum for the buildings. In order to establish expectations on the level of performance the project should pursue, we recommend that the NHCD/AHFC find funding to, at the very least, register the project under two sustainability standards. This proclamation of initial commitment by NHCD/AHFC will also help in soliciting developers that share similar sustainability goals and values.

The first is the LEED-ND Plan Certification. The modest investment put into registration sets up an expectation that the project will pursue LEED-ND certification. We recommend that the project boundary include Neighborhood #1 and the Loyola Town Center. The initial cost for registering the project is \$1500. The certification for Neighborhood 1 is estimated to be around \$55,000 and \$32,000 for the Loyola Town Center. NHCD/AHFC should set the sustainability expectations during the developer agreement and work with the developer towards certification of the Plan and the built project.

In addition to LEED-ND, NHCD/AHFC is highly encouraged to pursue certification under the Living Community Challenge. The Living Community Challenge defines the most advanced measure of sustainability in the built environment possible today. Projects that achieve this level of performance can claim to be the “greenest” anywhere. There are currently several cities in the piloting the certification. The cost to register a project under the Living Community Challenge is \$1,200.

If NHDC/AHFC decides to pursue Plan certification prior to securing a developer, they will likely require the assistance of a sustainability consultant or staff member. It is recommended that NHCD/AHFC solicit assistance from a sustainability professional, either in house or through an external entity.

| ACTION MEASURES TO BE TAKEN TO MAXIMIZE BENEFITS FROM A PUBLIC-PRIVATE PARTNERSHIP |   |                      |        |
|--|---|----------------------|--------|
| Action   |   | Lead Entities        | Status |
| 1  | Identify possible grant funding sources through the Small Business Development Program.               | EDD                  |        |
| 2  | Establish a 1% sales transfer tax with proceeds donated to the Colony Park foundation                 | By appropriate dept. |        |
| 3  | Create a land trust to preserve affordable “for sale” housing   | NHCD/AHFC            |        |
| 4  | Create a community benefits foundation to support ongoing operation and maintenance of the community. | NHCD/AHFC            |        |
| 5  | Enable a TIF to fund infrastructure improvements  | Austin City Council  |        |
| 6  | Ensure continuous community input throughout the development process.                                 | NHCD/AHFC            |        |





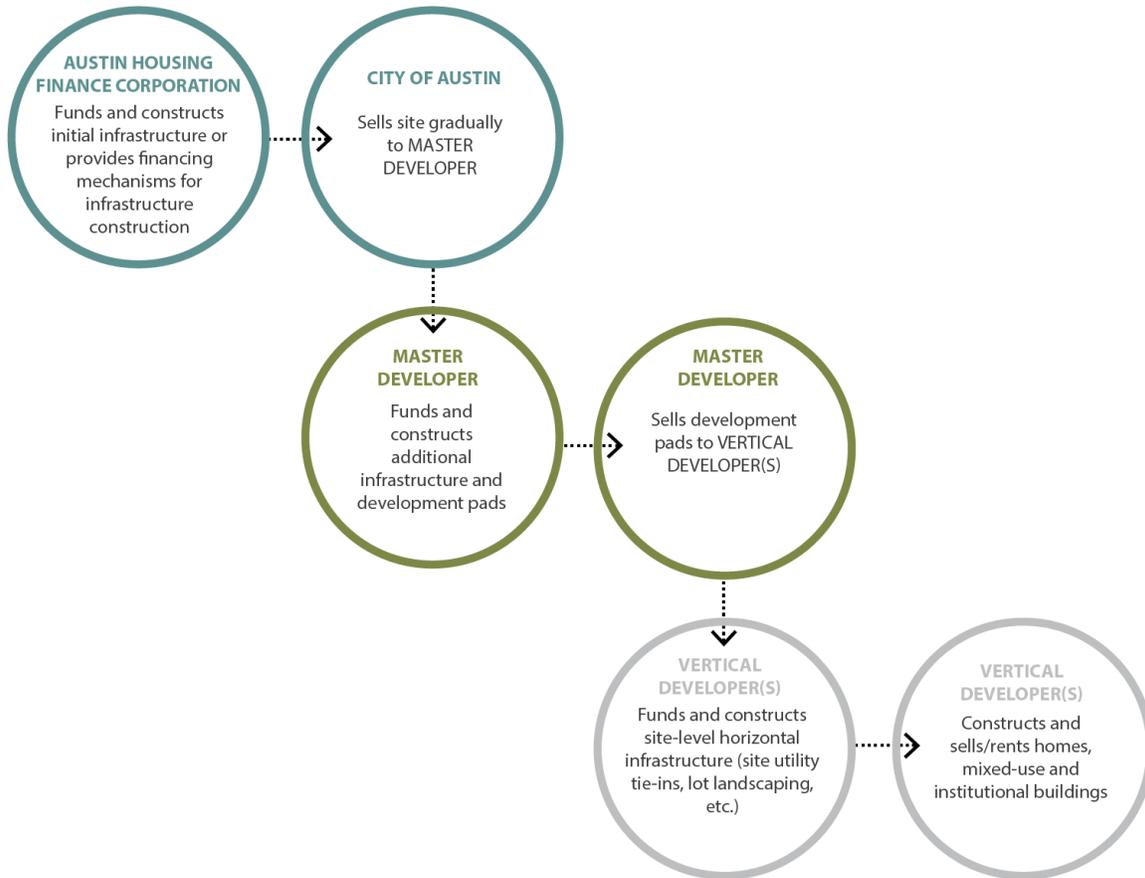
## CHAPTER 3

# DEVELOPER PROCUREMENT

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# SELECTING THE DEVELOPER

The most critical decision in the Implementation Plan of the Colony Park Master Plan is the solicitation of a Master Developer. The Master Developer will control the site's development, building infrastructure beyond the City's initial investment and selling development pads to future vertical developers. The Master Developer will control all aspects of project marketing and branding and must possess the financial resources to weather future economic recessions given the multi-year build out.



City/AHFC/Developer Relationship  
Source: Farr Associates

## DEVELOPER PROCUREMENT RFQ PROCESS

The instrument the City should use to recruit a Master Developer should be a RFQ (Request-for-Qualifications) and RFP (Request – for – Proposals) document. The RFQ and RFP should be written with the assistance of external legal consultants. The documents should make clear the Austin Housing Finance Corporation's expectations for an innovative, mixed-use community with specific affordable housing requirements and a timeline for implementation. The RFQ document should invite responses from developers to become partners in the implementation of the Master Plan, providing them opportunities to state their qualifications and responses.

## DEVELOPER QUALIFICATIONS

The ideal Master Developer will:

- Have implemented similar projects with aligned density and mixed-use programs
- Be experienced in partnering with public agencies

- Be skilled at working with and responding to needs of the local community
- Have experience in the Central Texas market
- Have deep and patient financial backing
- Be driven by a focus on sustainability and mixed-income developments
- Have experience in mixed-use horizontal integration

## DETAILS TO BE SPELLED OUT IN THE RFQ

The relative roles and responsibilities of the Austin Housing Finance Corporation and private development partner(s) can be further defined in the RFQ, specifying which party is expected to fund each and every aspect of project development. It will also specify the role of AHFC and other COA department roles in providing ongoing oversight of project implementation to ensure conformance with City goals and expectations. The RFQ should explicitly inform the Developer of the requirements they must comply with as laid out by the PUD, and aligned with the Master Plan. The RFQ should also provide the City’s proposed breakdown for affordable housing allocation (set at 20%) and ask developers to propose a finance plan for developing affordable housing on the project site. The RFQ is also the opportunity for developers to express any concerns over timelines and/or processes proposed by the City. Once responses have been received for the RFQ, a shortlist of developers should be developed that are then asked to respond to the RFP. The shortlisted developers should also be asked to submit a business plan with a 10 - 20 year pro forma with the response to the RFP.

## DEVELOPER FEES

The Developer may be asked to pay several fees upon being selected, which should be clearly stipulated in the RFP. \$125,000 to \$150,000 can be required for developer agreement fees. They may also be asked to pay an additional \$250,000 a year for staff support, given the increased administrative burden of the project on City staff. An upfront fee of \$500,000 that will go towards implementing the Arts Plan for the development may also be required. This particular fee could also be phased with the phasing of the entire project.

## DEVELOPER AGREEMENT NEGOTIATION

Following an evaluation of the RFP responses, the City will enter into negotiations with one or more developers to become the Master Developer for the 208-acre project site. The negotiations will center on agreeing to a governance structure and financial terms that meet the expectations of both the public and private sector participants, as well as confirmation of each party’s responsibility for infrastructure delivery and ongoing maintenance. The agreement will also enable the City and developer to align on a branding and messaging strategy for the development, as well as a design and compliance governance structure. A memorandum of understanding will be signed with the designated development partner, leading to the formal development agreement, closing, and groundbreaking. After the agreement is signed, the Developer will be required to set up a Design Review Committee that will be responsible for ensuring that all development complies with the Master Plan and Design Guidelines.

| ACTION MEASURES TO BE TAKEN WHEN SELECTING THE DEVELOPER                                      |                              |        |
|---|------------------------------|--------|
| Action  | Lead Entities                | Status |
| Commit to a two-stage developer selection process (RFQ followed by an RFP)                    | NHCD; AHFC                   |        |
| Engage the services of a consultant and/or team to prepare the RFQ/RFP and oversee selection. | NHCD; AHFC                   |        |
| Negotiate a Developer Agreement with the selected Developer                                   | NHCD; AHFC                   |        |
| Work with the selected Developer to create a Design Review Committee                          | Master Developer; NHCD; AHFC |        |

# TERMS TO CONSIDER IN THE DEVELOPER AGREEMENT

## CONVEYING THE LAND TO A DEVELOPER

The Colony Park Master Plan Team recommends that the Austin Housing Finance Corporation convey the land to a Master Developer that embraces the City's vision for a path-breaking sustainable community. Austin Housing Finance Corporation may also consider keeping a portion of the land for the development of City-owned affordable housing.

### SCENARIOS FOR PROJECT DEVELOPMENT AND PHASING:

#### **SCENARIO #1: AHFC SELLS LAND IN ITS ENTIRETY TO A DEVELOPER**

Under this scenario the AHFC would sell the entire site to a developer and regulate the form and character of development using the Master Plan and Design Guidelines. The developer would be responsible for building all of the infrastructure as well as the private development. TIF and other conventional financing would be expected to play a part.

Pros: This is a very simple transaction.  
The Developer has a strong incentive to build long-term value.

Cons: Cumbersome to intervene if the Developer does not perform.  
The land price paid for later phases will be greatly discounted.

#### **SCENARIO #2: AHFC SELLS TO DEVELOPER BY PHASE**

Under this scenario AHFC would sell each phase to a developer and regulate the form and character of development using the Master Plan and Design Guidelines. The Developer would be responsible for building the infrastructure for each phase as well as the private development. TIF and other conventional financing would be expected to play a part. The land may be "taken down" (paid for and title transferred) by parcel or by street.

Pros: This is a common approach.  
The developer has an incentive to maximize value by phase.  
Limits the damage if the Developer does not perform.  
Land prices for later phases are not discounted.  
Provides stability and certainty to the developer by limiting opportunities for political intervention.

Cons: Limited leverage to intervene if the Developer does not perform.  
AHFC and NHCD needs to actively manage the process.

#### **SCENARIO #3: AHFC SELLS LAND TO BUILDERS BY BLOCK**

Under this scenario AHFC would sell land to a developer street by street and regulate the form and character of development using the Master Plan and Design Guidelines. AFHC would be responsible for building the street infrastructure for each phase while the builder would construct the private development. TIF and other conventional financing would be expected to play a part.

Pros: Maximum control over development.  
Maximum leverage to intervene if the Developer does not perform.  
Land prices are "up to the minute".

Cons: AHFC and NHCD needs to actively manage the process.  
Lack of stability and certainty to the developer by increasing opportunities for political intervention.  
The Developer has no incentive to maximize long-term value.

## **PUBLIC INVESTMENT TO ACCELERATE COLONY PARK BUILDOUT**

In order to attract private investment to an area where the market has been lacking, the City of Austin should (1) fund initial infrastructure investment such as the construction of the main retail street and winding thoroughfare (potentially by bonding against the future tax increment) and (2) be prepared to transfer the land gradually to the Master Developer for a low purchase price. The infrastructure and land will represent the City's equity in the project, and the public-private partnership should be structured to allow the City to participate in the upside of future land sales from the master developer to vertical developers who build the individual structures (ranging from single-family homes to mixed-use development projects). The proceeds of these future sales could help fund further improvements within the Project Site and the adjacent neighborhoods.



CHAPTER 4

**IMPLEMENTATION AND GOVERNANCE**

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# GOVERNANCE

## GREATER COLONY PARK GOVERNANCE

### COLONY PARK COMMUNITY ADVISORY COMMITTEE

The existing neighborhoods of Colony Park and Lakeside suffer from problems commonly associated with absentee landlords that they have no authority to correct. While a Homeowner Association is not a viable option because the land is not controlled by a single authority, an advisory network akin to the current Colony Park Community Advisory Council (CAC) should constitute itself on a permanent basis after this project is complete.

## 208-ACRE GOVERNANCE

As the Master Plan builds out, a structure for governing development will be necessary to ensure the Design Guidelines are fulfilled. The governance structure, whether it is a homeowners association or another entity, will provide existing and new residents with a platform upon which they can voice their concerns and increase personal investment in the area. The governing body will be able to decide which public amenities and improvements hold priority and will also be responsible for making sure all residents are being code- and design-compliant.

### ECO-CONCIERGE PROGRAM

The developer should be responsible for setting up an Eco-Concierge Program that formally introduces new residents to the area and development. The program will consist of current residents and will require at least one full-time staff member. Programmatic elements can include: an educational package explaining sustainable practices implemented; community events and resource guide; financial counseling and homeownership information; and a guide to healthy living in Colony Park. As part of the Eco-Concierge program, walking and biking tours of the development should also be organized.

### CODES COVENANTS AND RULES (CC&R'S)

CC&R's are the legally binding rules established to govern the ongoing redevelopment and maintenance of the built neighborhood. The CC&R's "run" with the land and are nearly impossible to change in the future. It is our recommendation not to excessively burden future owners with rule that may soon be outmoded. For example, regulations governing currently desirable improvements and technologies such as solar panels should not be part of the CC&R's.

| ACTION MEASURES TO BE TAKEN FOR GOVERNANCE OF THE NEW DEVELOPMENT |   |                  |        |
|---|---|------------------|--------|
| Action  |   | Lead Entities    | Status |
| 1   | Hire external legal counsel to establish legal terms of all governance.   | Master Developer |        |
| 2   | Colony Park Community Advisory Council (CAC) should constitute itself on a permanent basis.                                   | NHCD; CPNA       |        |
| 3   | City of Austin in conjunction with the Master Developer should establish a system of governance for the 208-acre site.        | Master Developer |        |
| 4   | Developer should establish an Eco-Concierge program to educate residents on sustainable practices throughout the development. | Master Developer |        |

# LONG-TERM IMPLEMENTATION

## EVALUATION

After the completion of each neighborhood, an evaluation should take place to understand whether the current trajectory of development is moving in a positive direction. Several metrics can be tracked to measure the Plan's success in generating a socially, economically, and environmentally sustainable community:

- Number of housing units produced (overall and affordable);
- Dollars of private investment leveraged by public infrastructure investment;
- Number of jobs created (construction and permanent);
- Acres of improved parkland created;
- Savings in energy, water, materials, and reductions of emissions;
- Number of recreational facilities generated;
- Number of users of parkland and recreational facilities; and
- Health and happiness: while the other indicators can allude to the health and happiness of residents, survey tactics should be utilized to obtain responses from residents as they relate to personal satisfaction with the development.

| ACTION MEASURES TO BE TAKEN FOR LONG-TERM IMPLEMENTATION |  |               |        |
|--|--|---------------|--------|
| Action   |  | Lead Entities | Status |
| 1  | Prepare documents illustrating possible land swap.                   | TBD           |        |
| 2  | Data collection for evaluation upon completion of each neighborhood. | NHCD          |        |
| 3  | Survey upon completion of full buildout.                             | NHCD          |        |

