

Clark, Kate

From: Lorraine Atherton
Sent: Tuesday, October 12, 2021 4:03 PM
To: Clark, Kate; Clerk, City
Subject: Oct. 14 agenda item 70 (C14-2020-0144), rezoning of 2700 S. Lamar to MF-6

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Hello, City Clerk and Ms. Clark.

Please include the following message in the file and City Council backup for the Oct. 14 agenda item 70 (C14-2020-0144), rezoning of 2700 S. Lamar to MF-6.

Many thanks,

L. Atherton

For the ZNA Zoning Committee

Regarding City Council agenda item 70 (C14-2020-0144), rezoning of 2700 S. Lamar to MF-6

New information on Affordability Unlocked

Mayor and Council Members:

On behalf of the Zoning Committee of the Zilker Neighborhood Association, I urge you to reconsider your assumptions about the suitability of the Affordability Unlocked program for multifamily projects in the South Lamar Corridor. Affordability Unlocked is not limited to nonprofit providers, and it is becoming an attractive option for new groups of investors.

Last week 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. They 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 AU 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 yield 100 deeply affordable units, a significant addition of income-restricted housing to South Lamar.

Compare that application with item 70 on the City Council’s Oct. 14 agenda. About 6 blocks away, 2700 S. Lamar is very similar in its physical dimensions, including environmental issues. The applicants “volunteer” the same affordability as the existing VMU zoning--10% of 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 counterproposal. But 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.

In the end, any addition of housing to the parcels at 2700 S. Lamar will require the City Council's review and approval of a redevelopment exception under the SOS ordinance. The question is, Would you rather review a project committed to Affordability Unlocked and established SMART Housing guidelines, or a project starting from scratch with no real affordability commitment?

As you review these MF-6 rezoning cases, please do not dismiss the potential of Austin's affordability incentives. Please do not cut short those incentives, just as Affordability Unlocked is gaining momentum, by rezoning 2700 South Lamar to MF-6.

ZNA's earlier correspondence on this case appears in the backup on pages 16-19 and 25-27 of the staff report.

Thank you for your service to the community.

Lorraine Atherton

For the Zoning Committee of the Zilker Neighborhood Association, District 5

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