

NEXT GENERATION OF SMART GROWTH

Lessons from Austin, TX and Dublin, OH

- Kaid Benfield, NRDC
- David Dixon, Goody Clancy
- Jana McCann, McCann Adams
- Kevin Ratner, Forest City
- Heather Way, U. of Texas



Eight Pillars of a Sustainable Community



(ADAPTED FROM MARK HOLLAND, HEALING CITIES WORKING GROUP)

1. Complete community



2. Environmentally friendly, community-oriented **transportation** system



3. Green buildings



4. Multi-tasked open space



5. Green infrastructure



6. A healthy food system



7. Community facilities and programs



8. Economic development



Restated as “8 Dimensions of a Healing City”:

1. Whole communities
2. Conscious mobility
3. Restorative architecture
4. Thriving landscapes
5. Integrated infrastructure
6. Nourishing food systems
7. Supportive society
8. Healthy prosperity





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Next Generation of Smart Growth: the Mueller Community



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New Partners for Smart Growth Conference

February 2, 2012

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**711-Acre Airport Property in East Austin:
2 miles from UT, 3 miles from Downtown, surrounded by neighborhoods**



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**711-Acre Airport Property in East Austin:
2 miles from UT, 3 miles from Downtown, surrounded by neighborhoods**



History

- 1936: Robert Mueller Municipal Airport opens
- 1971 - 1993: Citizens lobby to move airport & citizens task force created
- 1993: Voters approve Bergstrom AFB as new airport site
- 1997 - 2000: Mueller Reuse Plan initiated & adopted by City Council, Mueller Commission created
- 2002: Catellus selected as Master Developer
- 2003: Agreement to locate Dell Children's Hospital at Mueller
- 2004: City & Catellus execute MDA; TIF adopted

Jim Walker
Community Leader



Sue Edwards
City of Austin

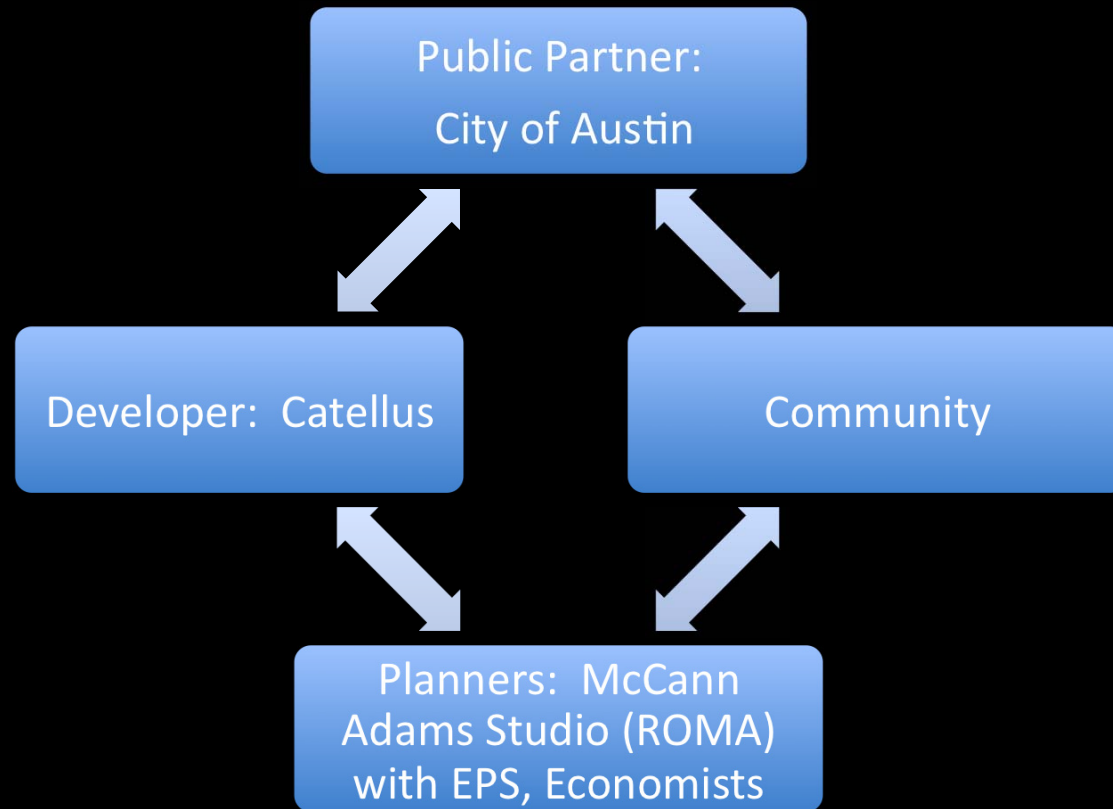


Greg Weaver, Catellus
Master Developer



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1997: 6 principles for new mixed-use, transit-oriented community:



Fiscal Responsibility: a positive revenue stream to City through increased tax base

Economic Development: contributing to Austin's economy and providing new jobs

East Austin Revitalization: a direct stake for East Austin residents in redevelopment

Neighborhood Compatibility: enhancing the quality of life in adjacent communities

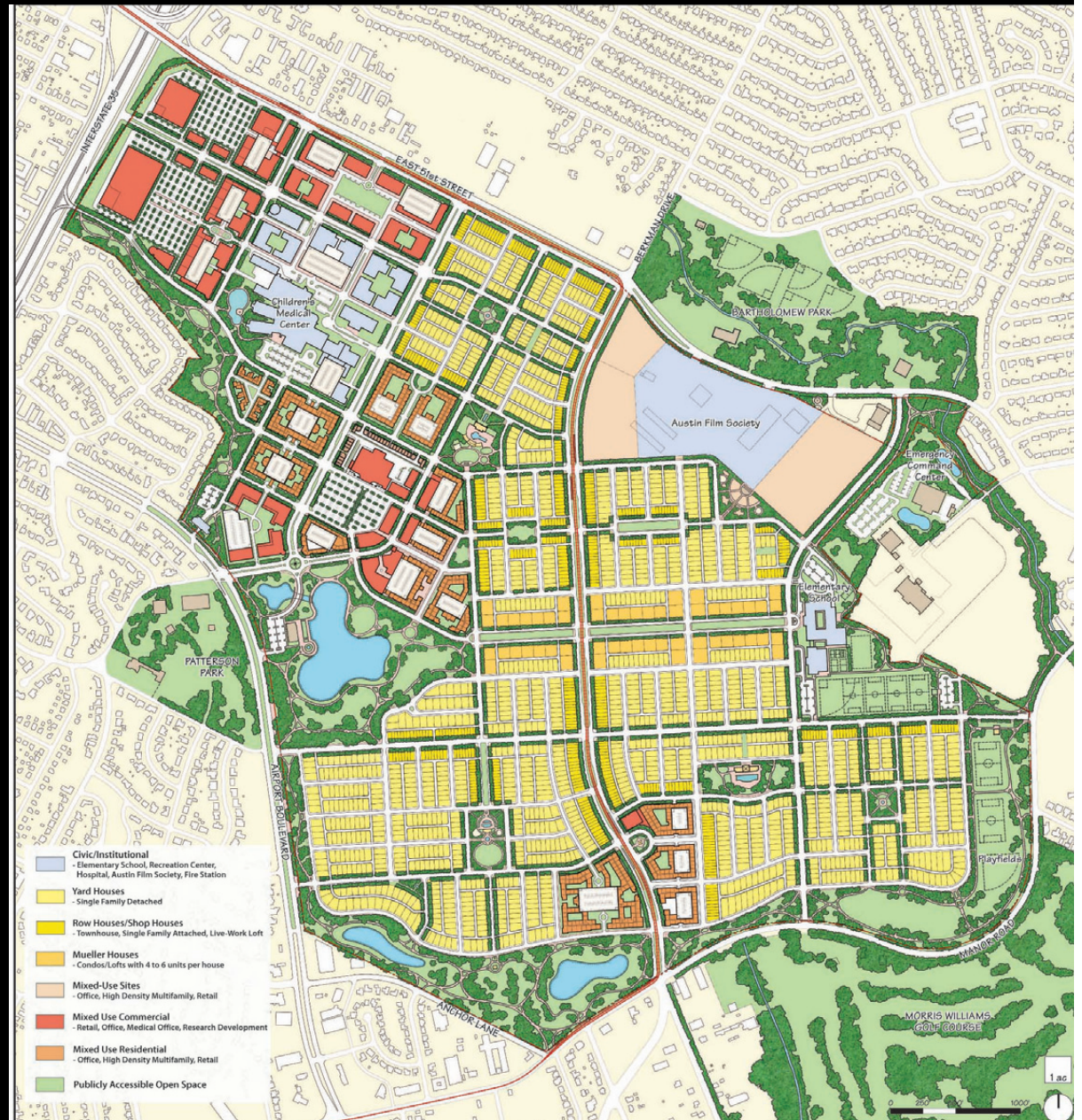
Diversity & Affordability: a new community of ethnically and economically diverse residents

Sustainability: energy efficient, reduced car dependence, watershed protection-*smart growth*

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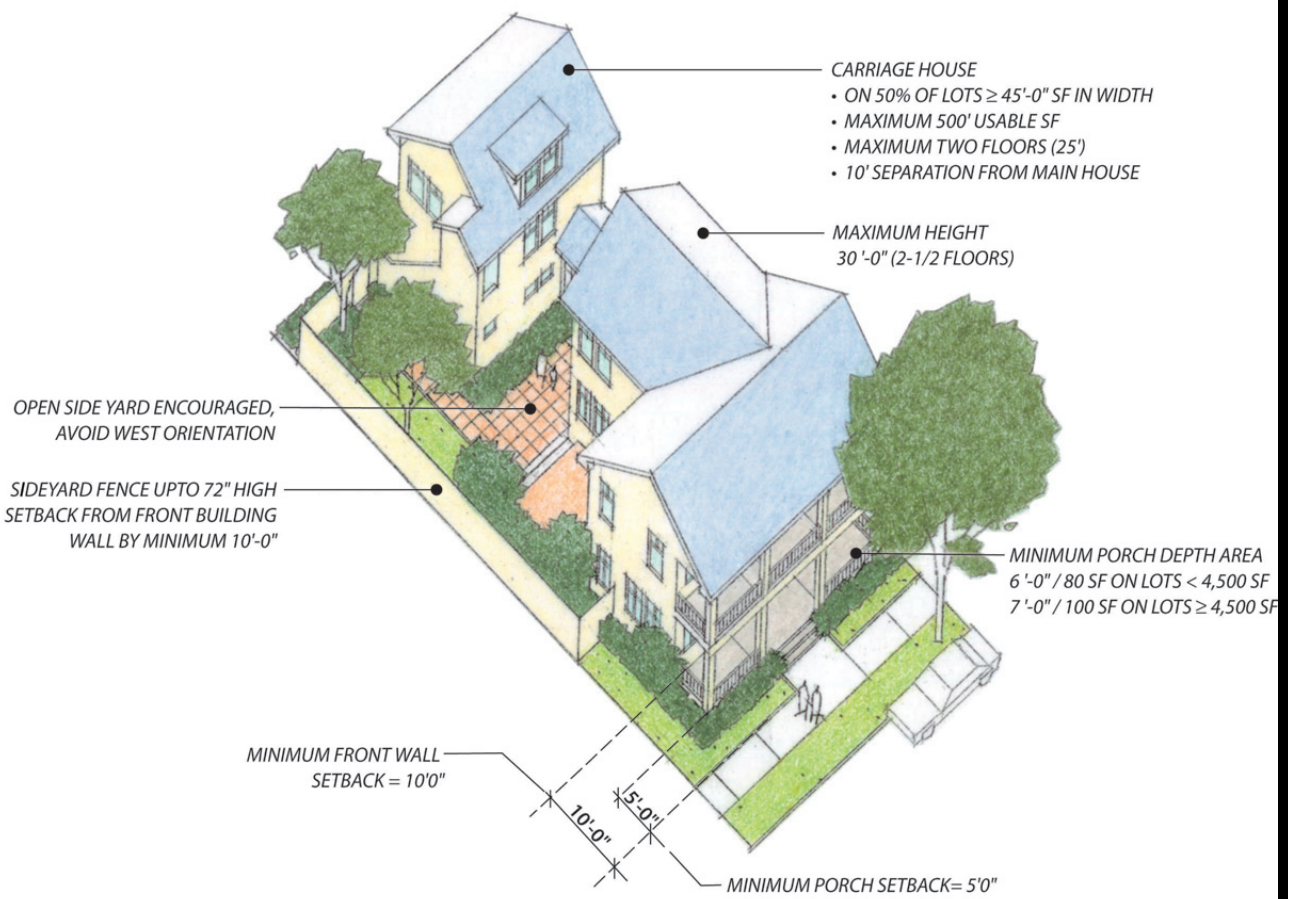
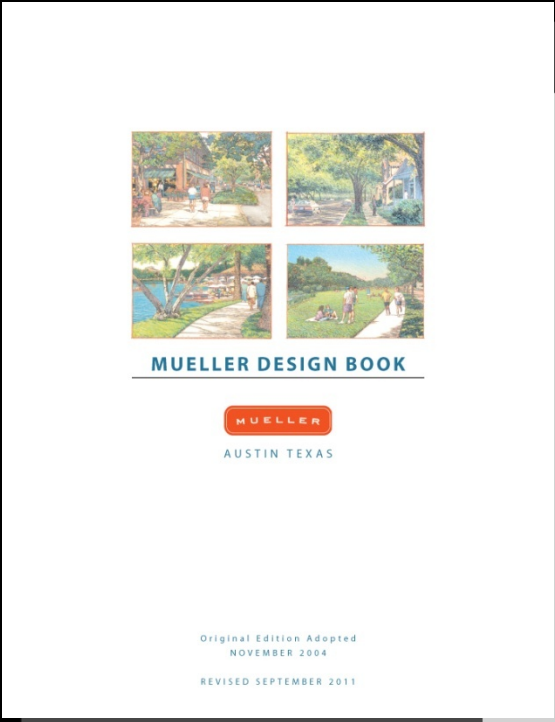
2004 Plan & Program

- 4,500 DUs
- 4 MSF commercial
- 140 acres open space
- 10,000 residents
- 10,000 jobs





Mueller Design Book & design review process instituted



Yard House Development Standards

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2012 Plan & Program

- 5,500 DUs
- 4 MSF commercial
- 140 acres open space
- 12,000 residents
- 12,000 jobs



Deal Structure: “Patient Capital Concept”

City land given to Developer in chunks

Developer pays for/builds infrastructure

Developer sells land to builders; keeps 15% profit, rest into escrow

Developer reimbursed from escrow

Muni bonds paid off from TIF revenue (sales and property taxes)

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Fiscal Responsibility 2012

~ 30% built-out today



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Fiscal Responsibility 2012

388,000 SF Regional Retail opened 2008; expands 2012 (3-Star)



Fiscal Responsibility 2012

A positive revenue stream to the City through increased tax base

- \$ 113 million of infrastructure investment so far
- All funded by TIF (sales & property tax from Mueller) and land sale proceeds
- City property tax base increase of \$350 - \$400 million (*on track for \$ 1.3 billion tax base & \$5.7 million property tax by 2025*)
- **City & developer maintain flexible approach in responding to market dynamics**
- **City maintains successful “patient capital” approach**

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East Austin Revitalization 2012

1st of 4 neighborhoods completed in 2009, 2nd has just begun



East Austin Revitalization 2012

A direct stake for East Austin residents in redevelopment.

- Investment in new infrastructure, parks and housing
- Proximity of diverse employment opportunities
- 45 new businesses, including retailers, services and new grocery
- 2 corporate headquarters, including Seton, the largest private employer in Central Texas
- **New healthy food opportunities with Market District**
- **New cultural opportunities with Town Center**

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Neighborhood Compatibility 2012

75 acres of native-landscaped parks



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Neighborhood Compatibility 2012

4 miles of trails in greenways



Neighborhood Compatibility 2012

Enhancing the quality of life in adjacent communities

- 75 acres of new public parkland
- 4 miles of trails connecting existing neighborhoods into Mueller
- **Community-represented Commission continues to monitor redevelopment**
- **City & Master Developer's ongoing commitment to outreach on key issues (transportation, grocer, "edges", affordability, design, etc.)**
- **"East 51st Vision Plan" emerges - implementation sought through 2012 Bond**

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Economic Development 2012

Dell Children's Hospital opened 2007; 2012 expansion (LEED Platinum)



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Economic Development 2012
Town Center & Market District begin



Perspective by ELS Architecture

Economic Development: 2012

Contributing to Austin's economy and providing new jobs

- 3,300 permanent jobs to date
- \$645 million in new buildings
- 1400 DUs complete or under construction
- 1.5 MSF commercial & institutional space built
- 170-bed Children's Hospital expands
- School District's regional Performing Arts Center beings
- Austin Playhouse and Children's Museum in new Town Center
- HEB Grocery to anchor new Market District

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Diversity & Affordability 2012

Housing



Diversity & Affordability

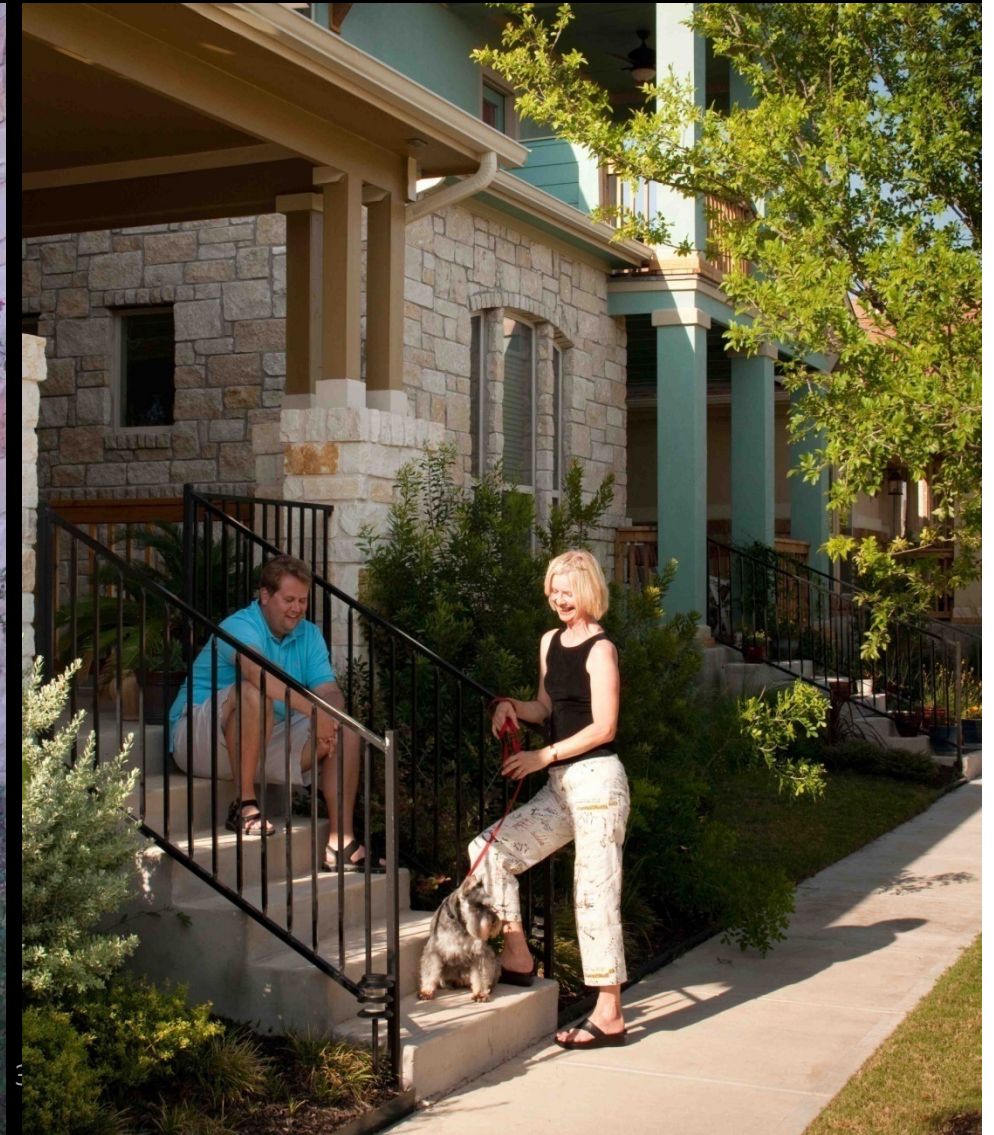
Housing Provisions:

- *Per MDA, Mueller will have 25% affordable units overall.*
- rental @ 60% MFI & home ownership @ 80% MFI, with a 40/60% balance
- ~10% of units dispersed as SF throughout development
 - Includes new units that are “affordable by design”
- ~10% of units in market rate MF buildings
- ~ 5% of units in 2 tax credit projects:
 - MF senior project (completed)
 - MF family project (under development)
- diversity of unit types
 - SF attached & detached, wide range of sizes, buyer types, price points)
 - SF with Carriage Houses (granny flats)
 - 4/6-plex condos (Mueller Houses)
 - MF condos & apartments

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Diversity & Affordability 2012

500+ SF detached “Yard Houses” (~10% of units affordable)



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Diversity & Affordability 2012

161 SF attached “Row Houses” (50% of units affordable)



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Diversity & Affordability 2012

50 “Mueller Houses” (over 50% of units affordable)



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Diversity & Affordability 2012

49 detached SF “Garden Homes” (50% of units affordable)



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Diversity & Affordability 2012

34 Greenway Lofts “liner” condos (10% of units affordable)



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441 Mosaic apartments (10% of units affordable)



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Diversity & Affordability 2012

201 Wildflower Terrace Senior Apartments
(169 affordable units at deeper levels, 30 market rate units)



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Diversity & Affordability 2012

“affordable by design”: small lots with attached SF units



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Diversity & Affordability 2012

“affordable by design”: small lots with attached SF units



Diversity and Affordability 2012

The Mueller Foundation

Funded by:

- Property sale fee: 0.25% sales price
- Builder fees: \$1,000/unit
- Shared equity proceeds on affordable home sales

Mueller Foundation Focus:

- Affordable Housing
- Parks & Open Space
- Education

Diversity and Affordability 2012

The Mueller Foundation

| First Sale | | |
|--------------------------------|-----------|-------------------------|
| Appraised Value of Home | \$250,000 | |
| Affordable Sales Price | \$150,000 | =60% Owner |
| Mueller Foundation Second Lien | \$100,000 | =40% Mueller Foundation |

| Resale | | |
|-----------------------------------|-----------|---|
| Resale Price | \$285,000 | |
| - Mueller Foundation Second Lien | \$100,000 | |
| - Original Affordable Sales Price | \$150,000 | |
| = Equity to be Shared | \$35,000 | 60% to Owner 40% to Mueller Foundation |

Diversity and Affordability 2012

A new community of ethnically and economically diverse residents

- Mixed income profile with wide range of home types and pricing
- 25% of all housing units affordable
- 398 affordable units currently occupied or under construction
- **House types offering multi-generational opportunities**
- **Mueller Foundation established to provide shared equity – keeping re-sale homes affordable**
- **New housing types intended to promote affordability by design**

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Sustainability 2012

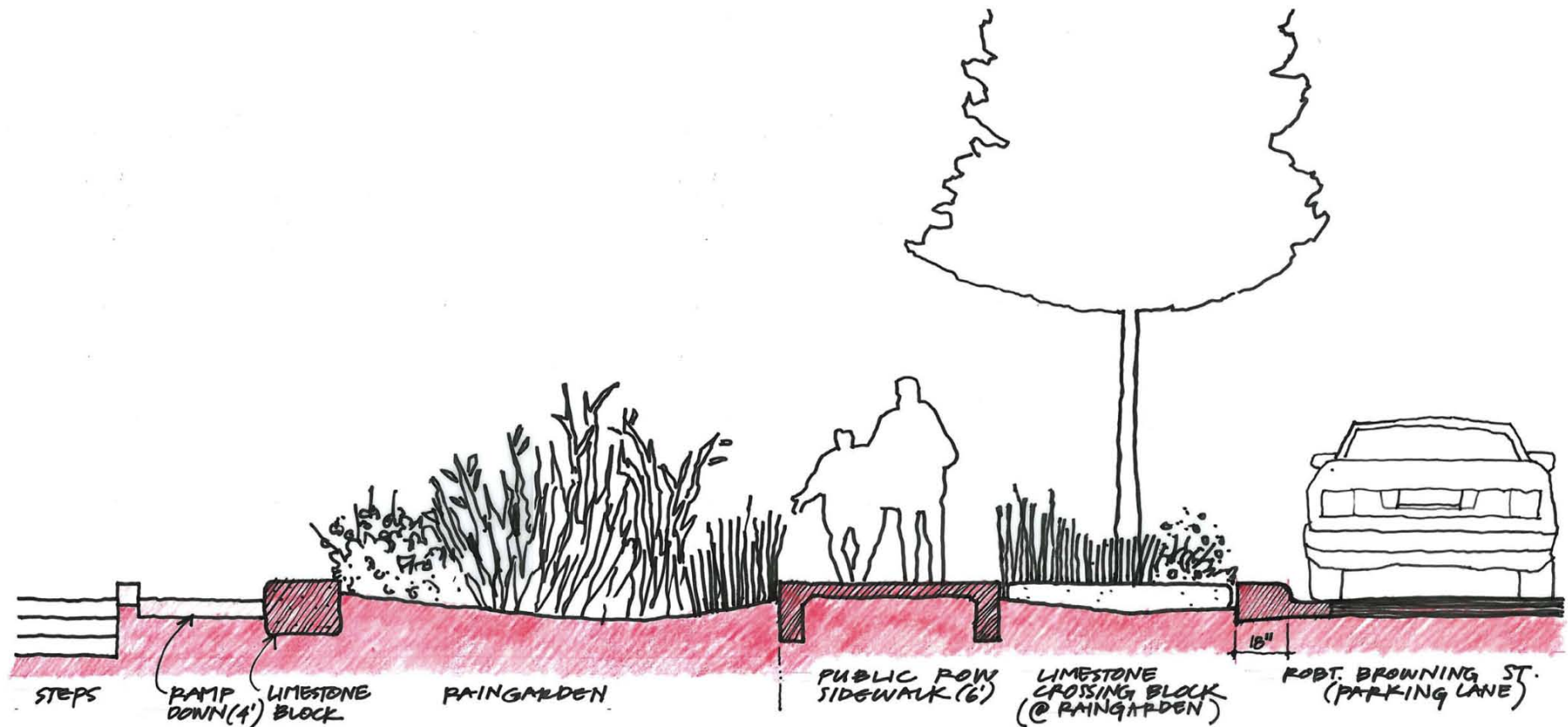
Implementing 1-Way, Protected Cycle Tracks—first in Texas



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Sustainability 2012

Integrating LID Techniques & Landscape Urbanism



ROBERT BROWNING PLAZA : SECTION THROUGH RAIN GARDEN
7.7.2011 1795



Sustainability 2012

Energy efficiency, reduced auto dependency, watershed protection – smart growth

- Mueller is Silver LEED ND Pilot Program
 - All commercial buildings are 2-star AEGB or LEED certified
 - All SF homes are 3-star AEGB or better
- Austin Energy built central heating/chilling and co-generation plant
- Reclaimed water for irrigation
- Lakes provide regional water quality, detention
- Parks, landscapes are restoring native Blackland Prairie ecosystem
- DOE invested \$10 million to implement Smart Grid project at Mueller
- Highest concentration of residential solar panels in US
- **New design guidelines require all buildings to be “solar-ready”**
- **New parks & streetscapes embracing “landscape urbanism”**
- **Will be first in Texas to install 1-way protected “cycle tracks” on principal streets**

Key Lessons for Next Generation of Smart Growth

- Plans & projects need to go beyond traditional elements of New Urbanism & Smart Growth, and integrate social equity elements at outset.
- City-owned land enabled community to set terms of deal - requiring sustainability, affordability, etc.
- Even so, ensuring affordability & diversity takes continued advocacy by the community partner, vigilance by public partner, rigor by development partner...
- ...and flexibility, responsiveness & innovation by all parties.