

M U E L L E R

Next Generation of Smart Growth: the Mueller Community



Jana McCann, AIA

McCann Adams Studio

Mueller Master Plan Architect

janam@mccannadamsstudio.com

Heather K. Way

University of Texas School of Law

Mueller Community Stakeholder

hway@law.utexas.edu

New Partners for Smart Growth Conference

February 2, 2012

M U E L L E R

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



M U E L L E R

**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



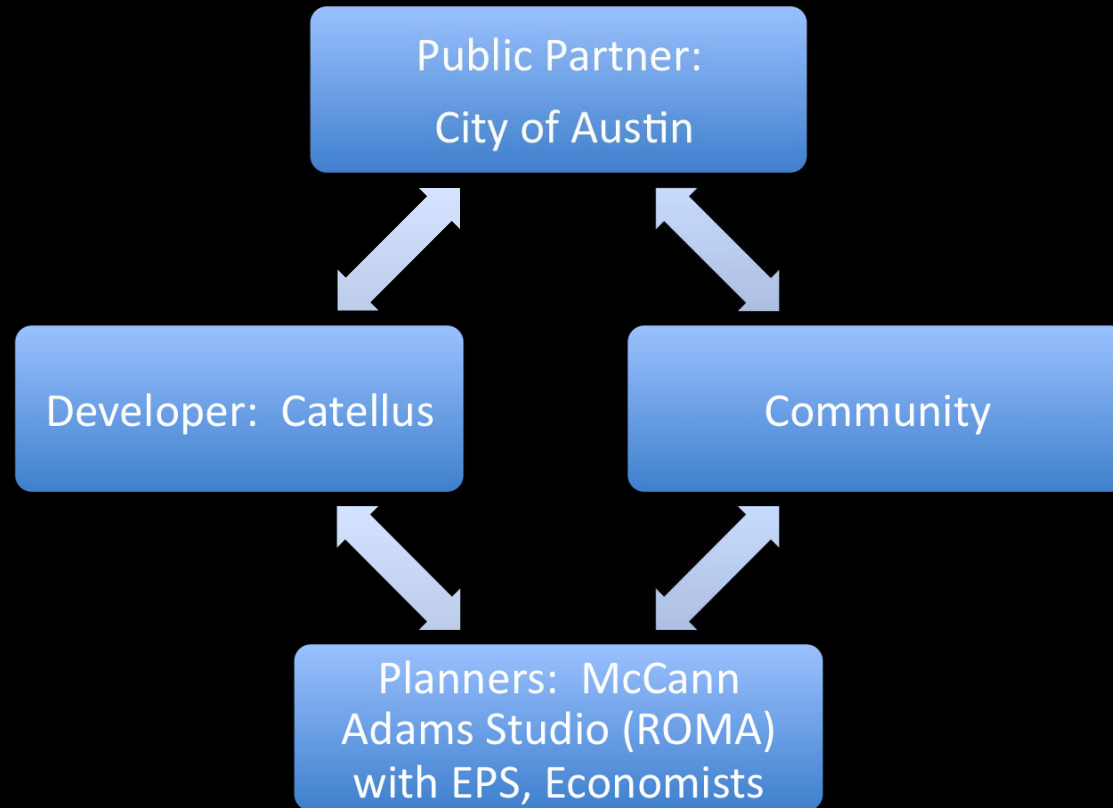
Greg Weaver, Catellus
Master Developer



W
a
l
k
e
r

C
o
m
m
u
n
i
t
y

M U E L L E R



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

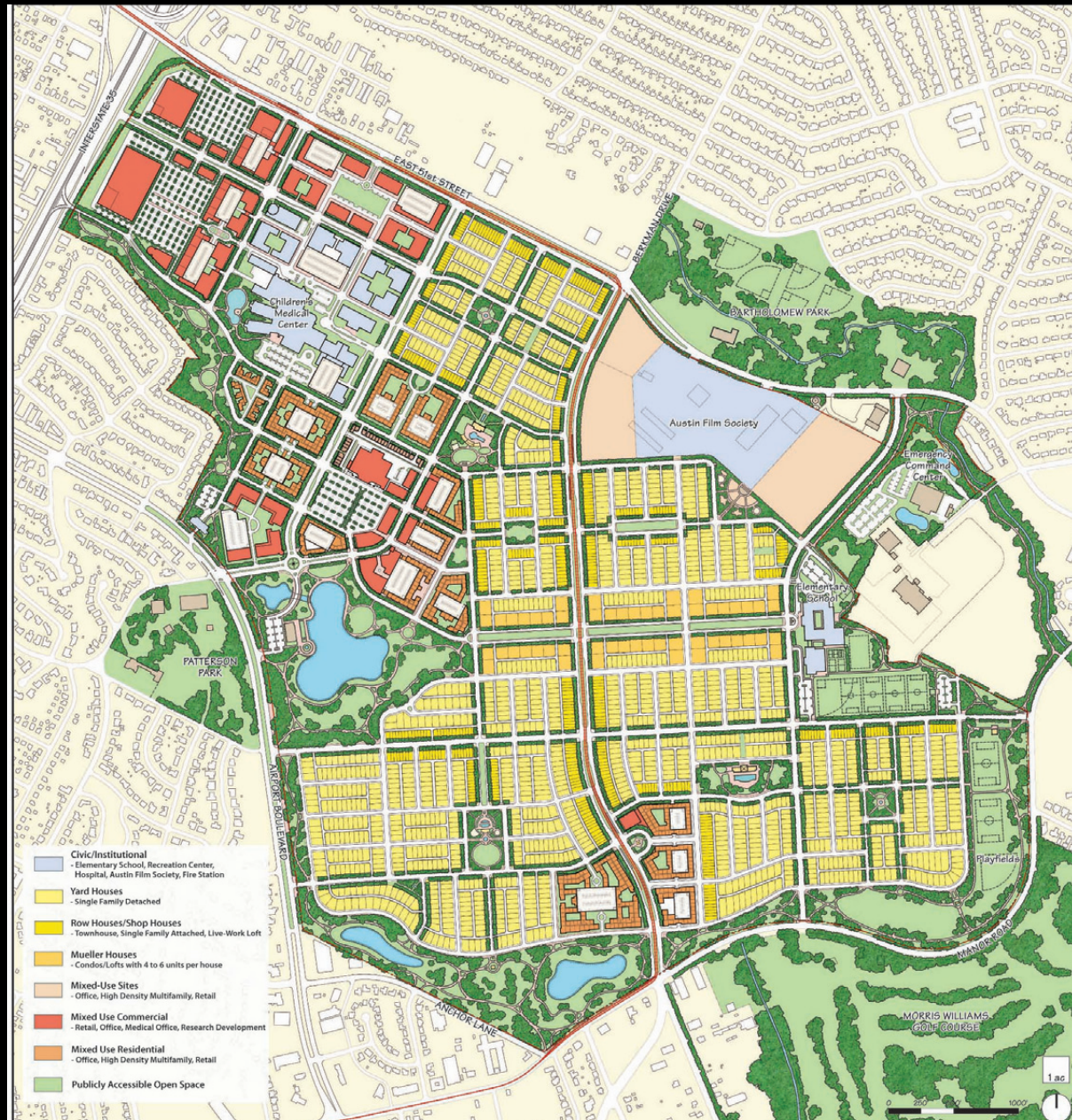
Diversity & Affordability: a new community of ethnically and economically diverse residents

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

MUELLER

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



MUELLER DESIGN BOOK



Original Edition Adopted
NOVEMBER 2004
REVISED SEPTEMBER 2011



Yard House Development Standards

MUELLER

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)

M U E L L E R

Fiscal Responsibility 2012

~ 30% built-out today



M U E L L E R

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**

M U E L L E R

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**

M U E L L E R

Neighborhood Compatibility 2012

75 acres of native-landscaped parks



M U E L L E R

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**

M U E L L E R

Economic Development 2012

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



M U E L L E R

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

M U E L L E R

Diversity & Affordability 2012

Housing



Diversity & Affordability

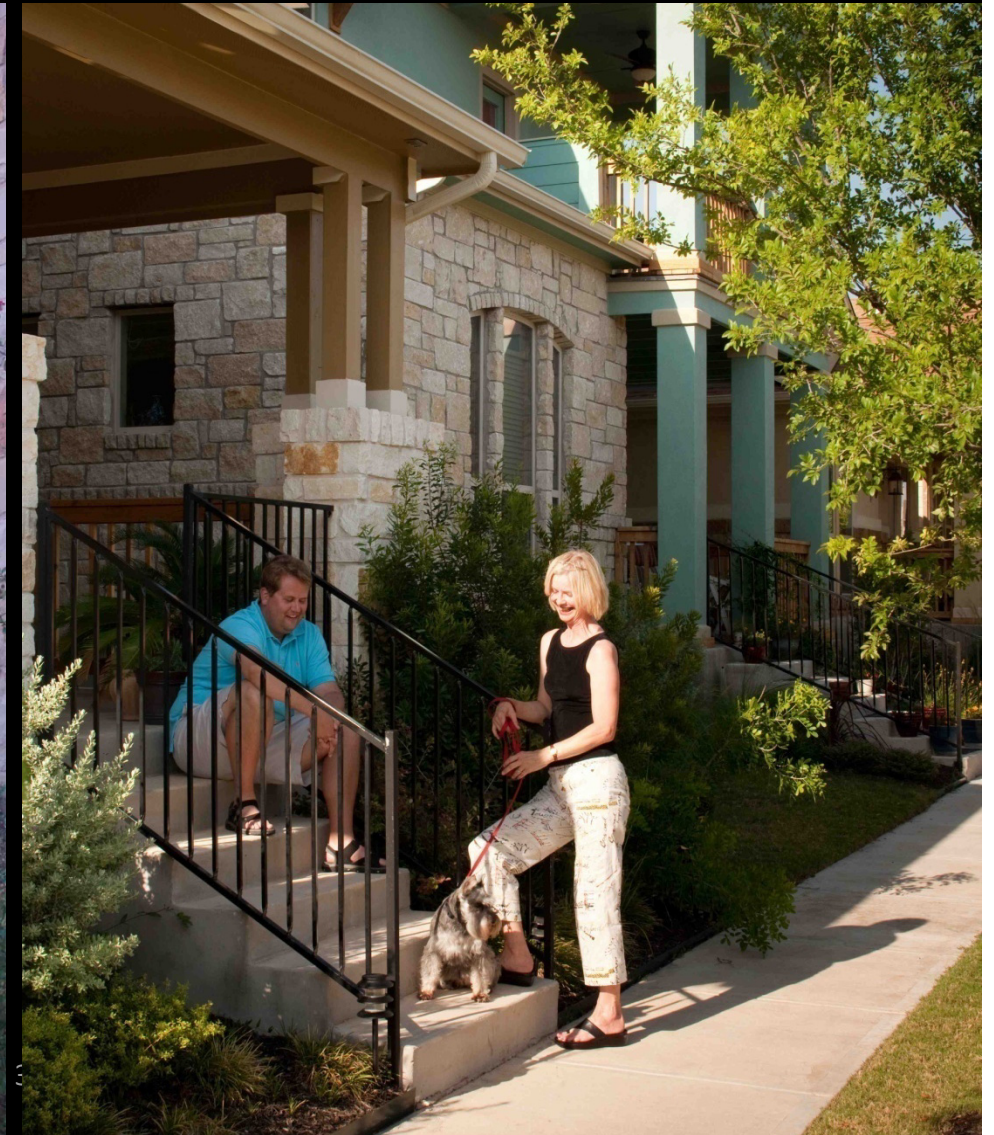
Housing Provisions:

- *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

M U E L L E R

Diversity & Affordability 2012

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



M U E L L E R

Diversity & Affordability 2012

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



M U E L L E R

Diversity & Affordability 2012

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



M U E L L E R

Diversity & Affordability 2012

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



M U E L L E R

Diversity & Affordability 2012

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



M U E L L E R

441 Mosaic apartments (10% of units affordable)



M U E L L E R

Diversity & Affordability 2012

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



M U E L L E R

Diversity & Affordability 2012

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



M U E L L E R

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**

M U E L L E R

Sustainability 2012

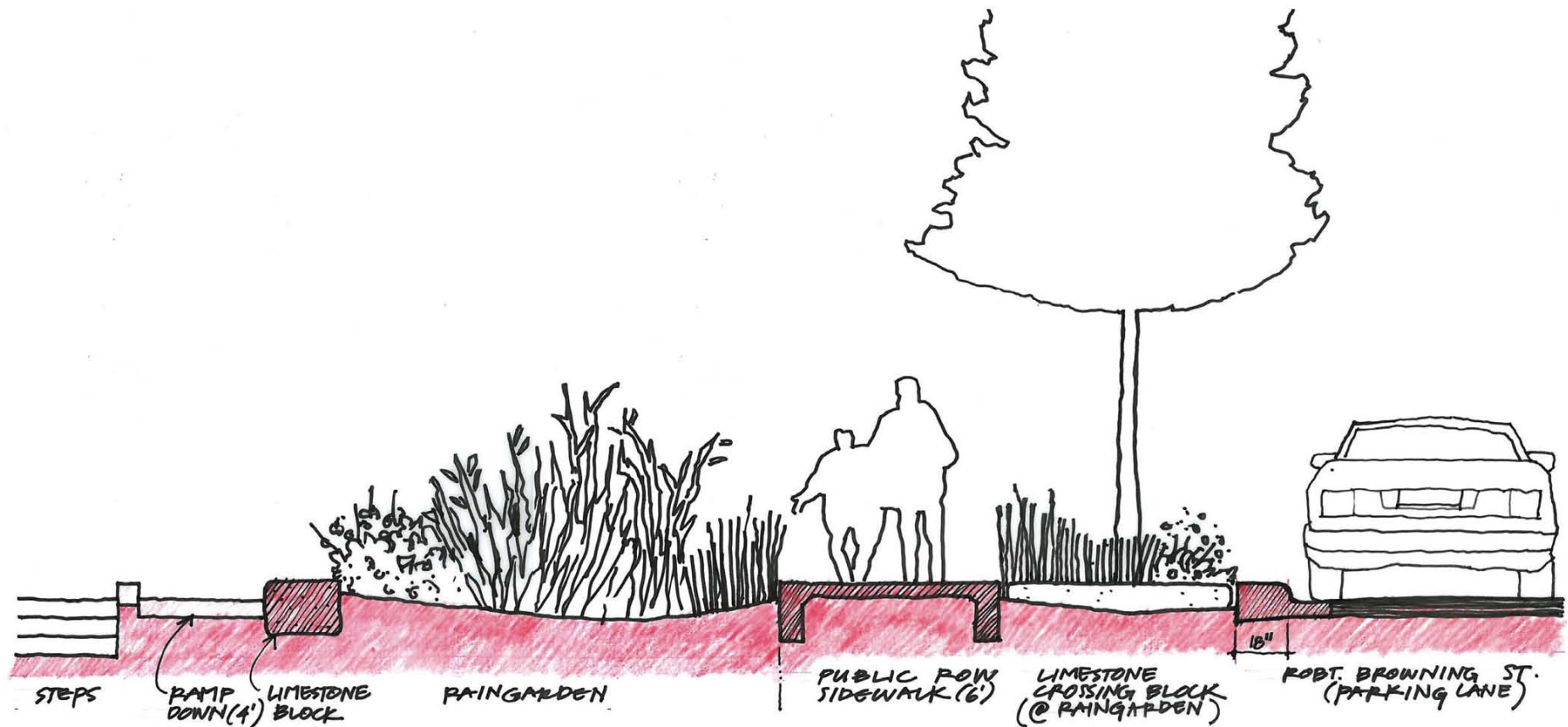
Implementing 1-Way, Protected Cycle Tracks—first in Texas



M U E L L E R

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.