

Redeveloping the East End – Catalysts for Sustainable Transitions

HARRISBURG LIVING INITIATIVE

Redeveloping the East End – Catalysts for Sustainable Transitions

Sponsors

- Buffalo Bayou Partnership
- Greater East End Management District
- Lovett Commercial
- Metropolitan Transit Authority of Harris County
- New Hope Housing,
- Harris County Precinct 2

Redeveloping the East End – Catalysts for Sustainable Transitions

Panel Chair

Gary Altergott – Morris Architects

Panelists

Bart Barrett – Wood Partners

Justin Boyar – HFF

Bill Fulton – Kinder Institute

Ron Lindsey – RDL Associates

Eta Paransky – EP Consultants

Abbey Roberson – HOK

Sherry Weesner – Scenic Houston

Writer

Kyle Shelton – Kinder Institute

Presentation Assistant

Oliver Sanchez – Tramonte + Johnson

Redeveloping the East End – Catalysts for Sustainable Transitions

Stakeholder Participants

BUSINESS OWNERS	INSTITUTIONAL STAKEHOLDERS	AFFORDABLE/WORKFORCE INVESTORS/FINANCE EXPERTS	MARKET RATE INVESTORS/FINANCE EXPERTS
Joe Meppelink Frances Dyess Jonathan Grenader Craig Rohden	Dr. Irene Porcarello Anton Sinkewich Nory Angel Rick Garcia Ernesto Maldonado Diane Barber Ernesto Maldonado Jack Massing Michael Galbreath	St. Apts Lance Gilliam Mack Fowler Chris Akbari Robert Fiederlein Jim Noteware	Jonathan Brinsden Laurie Baker Ben Johnson Ray Miller
GOVERNMENT OFFICIALS	NEIGHBORHOOD RESIDENTS	COMMERCIAL DEVELOPERS	
Andy Icken Geoff Carleton Jennifer Ostlind Cheney Mireles Karla Cisneros Rep. Carol Alvarado	Bolivar Fraga John Jacob Steve Parker Karen Niemeier Mary Margaret Hansen Anne Whitlock Carla Hulsey Jessica Hulsey Melissa Noriega Sylvia Medina	Tony Padua Stephen Pheigaru Alan Atkinson Mark and Peter Licata Erin Dyer Frank Liu Taryn Sims	
NEIGHBORHOOD STAKEHOLDERS			
Juan Hernandez Albert Martinez Rafael Acosta Eric Ibarra Elvira Gomez Guadalupe Salinas Juanita Martinez Alexis Martinez			

OVERVIEW

BACKGROUND:

THE URBAN LAND INSTITUTE, A NON-PROFIT ORGANIZATION THAT PROMOTES LEADERSHIP IN THE RESPONSIBLE USE OF LAND AND IN BUILDING THRIVING COMMUNITIES, HAS BEEN INVITED TO CONDUCT A TECHNICAL ASSISTANCE PROGRAM. THROUGH LOCAL TECHNICAL ASSISTANCE PANELS, TEAMS OF ULI MEMBERS VOLUNTEER THEIR TIME AND EXPERTISE TO GIVE OBJECTIVE AND INDEPENDENT ASSESSMENT AND MAKE RECOMMENDATIONS ON AN ARRAY OF LAND USE CHALLENGES – FROM NEIGHBORHOOD AND DOWNTOWN REVITALIZATION TO ECONOMIC DEVELOPMENT AND DISASTER RESPONSE

OVERVIEW

WHO IS THE SPONSOR:

A COALITION OF PUBLIC AND PRIVATE, NON-PROFIT AND FOR-PROFIT ORGANIZATIONS. THE PUBLIC PROCESS IS OPEN TO ALL WHO ARE INTERESTED IN PARTICIPATING. THE PURPOSE OF THIS DISCUSSION WITH STAKEHOLDERS IS TO GIVE THE PANELISTS INSIGHT INTO SPECIFIC QUESTIONS IN ORDER TO DEVELOP PRACTICAL RECOMMENDATIONS.

PANEL ASSIGNMENT

*TO RECOMMEND MEASURES THAT CAN CATALYZE MORE
COHESIVE REDEVELOPMENT THAT INCLUDES HOUSING TO SERVE
A RANGE OF INCOMES AND OTHER SERVICES WITHIN THE
DESIGNATED STUDY AREA*

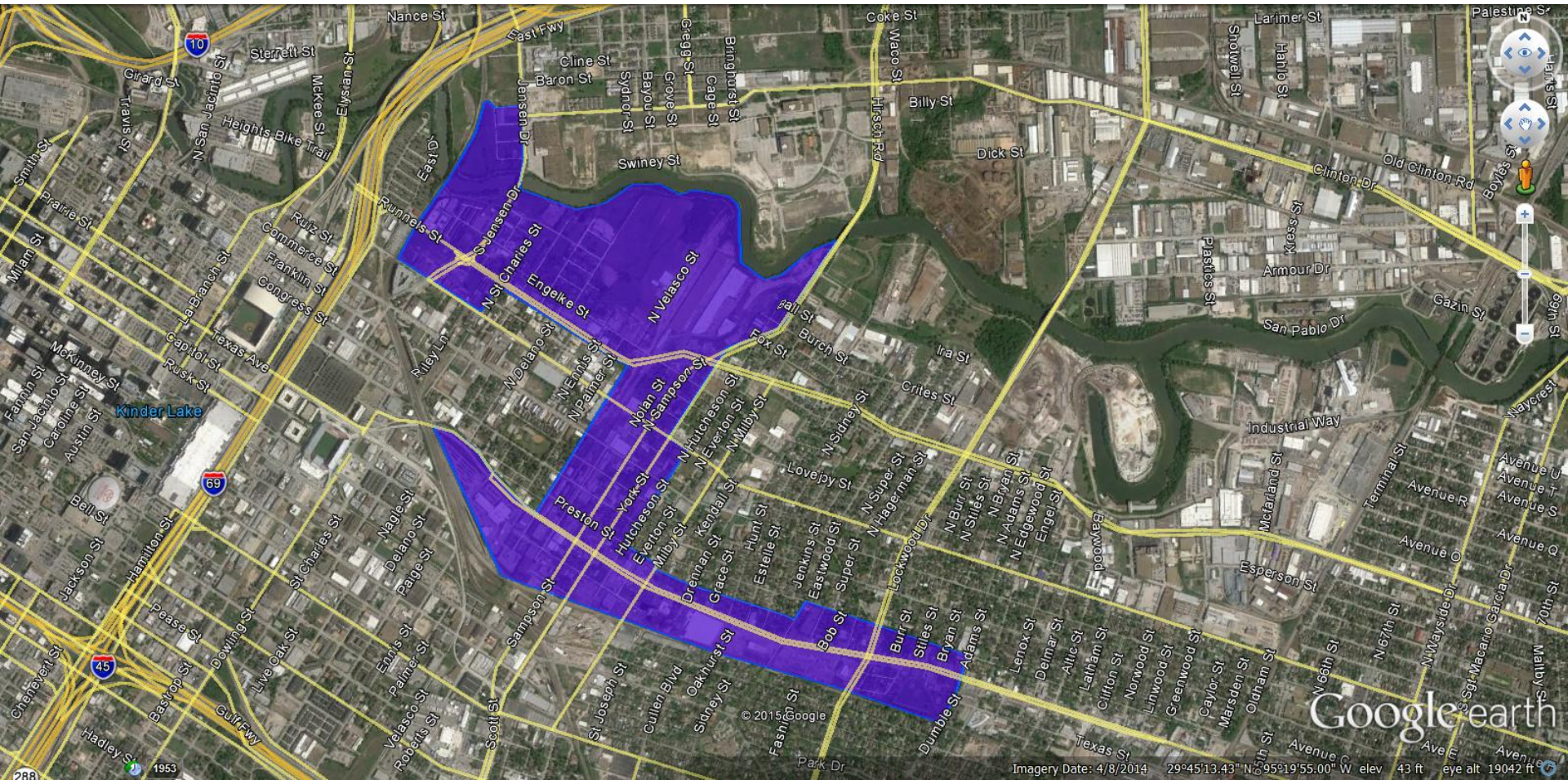
PANEL ASSIGNMENT

- *LEVERAGING THE EAST END MASTER PLAN, STRATEGIC VISION, MOBILITY STUDY AND LIVABLE CENTERS STUDIES, BUFFALO BAYOU MASTER PLAN, AND METRO TOD REPORT ON THE EAST END, WHAT DOES THE PANEL RECOMMEND AS A BALANCED APPROACH TO RESIDENTIAL, RETAIL, INSTITUTIONAL, AND OTHER USES THAT INCLUDES MORE DENSITY AROUND RAIL STATIONS WITHIN THE TARGET REDEVELOPMENT AREA?*

PANEL ASSIGNMENT

- *WHAT ARE THE POTENTIAL BARRIERS THESE PLANS MUST OVERCOME?*
- *WHAT INCENTIVES ARE NEEDED TO PROMPT SUCCESSFUL DEVELOPMENT?*
- *WHAT ADDITIONAL FUNDING SOURCES & PARTNERSHIPS ARE AVAILABLE TO ENSURE PLANS ARE REALIZED*

STUDY AREA



OPPORTUNITIES

LOCATION

LIGHT RAIL

UNDERUTILIZED LAND

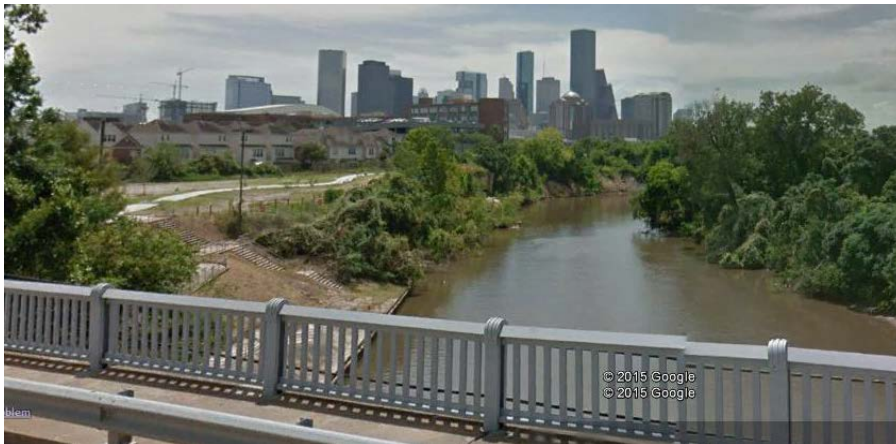


OPPORTUNITIES

CULTURAL ASSETS

BUFFALO BAYOU

INSTITUTIONAL INFRASTRUCTURE



CHALLENGES

PERCEPTION OF THE AREA

MARKET DEFAULTS TO TOWNHOMES

LACK OF RETAIL

PRESERVING NEIGHBORHOOD FABRIC IN THE FACE OF CHANGE



MARKET POTENTIAL

2 ZONES

1. BUFFALO BAYOU / NAVIGATION CORRIDOR
2. HARRISBURG / EAST END LIGHT RAIL

MARKET POTENTIAL

BUFFALO BAYOU / NAVIGATION CORRIDOR

CULTURAL ASSETS

RESTAURANTS

NAVIGATION PROMENADE

CHURCHES & PARKS

RECREATIONAL ASSETS

BAYOU

HIKE & BIKE TRAIL

CONNECTIVITY TO REST OF HOUSTON

VIEWS OF DOWNTOWN

CHALLENGE: MISSING INFRASTRUCTURE

MARKET POTENTIAL

HARRISBURG CORRIDOR

1. PROXIMITY TO EMPLOYMENT CENTERS

1. DOWNTOWN: 150,000 JOBS

2. POH: 55,000 JOBS

3. TMC: 105,000 JOBS

TOTAL: 310,000 JOBS

PROXIMITY TO EDUCATION (UH, TSU, RICE, SOUTH TEXAS COLLEGE OF LAW, UHD)

2. LIGHT RAIL CONNECTIVITY

3. IN PATH OF GROWTH

4. LARGE PARCELS AVAILABLE

5. LAND PRICE

6. CULTURAL AMENITIES

MARKET POTENTIAL

MARKET NEEDS

1. SUPERMARKET

- A. RESIDENTS
- B. DEVELOPERS
- C. FINANCIAL COMMUNITY / INVESTORS
- D. LOCAL BUSINESS

MARKET POTENTIAL

SUPERMARKET NEEDS

1. ROOFTOPS

A. #

B. INCOME LEVEL

C. RADIUS

2. NEED TO INCENTIVIZE MULTI-FAMILY DEVELOPMENT

MARKET POTENTIAL

TRANSIT ORIENTED DEVELOPMENT

1. NATIONAL DEVELOPMENT MODEL
2. LIVE | WORK | PLAY
3. FASTER COMMUTES
4. ENVIRONMENTAL SUSTAINABILITY

RECOMMENDATIONS

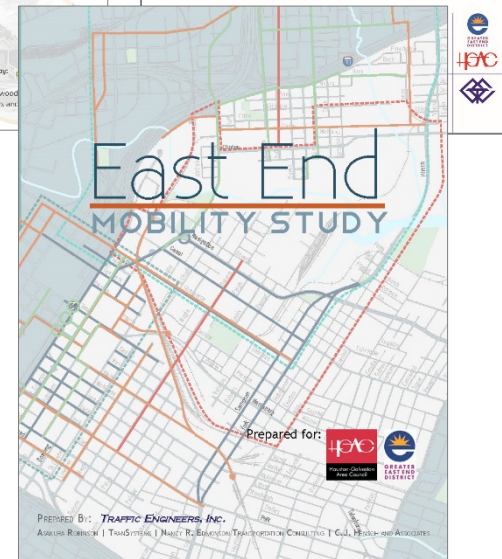
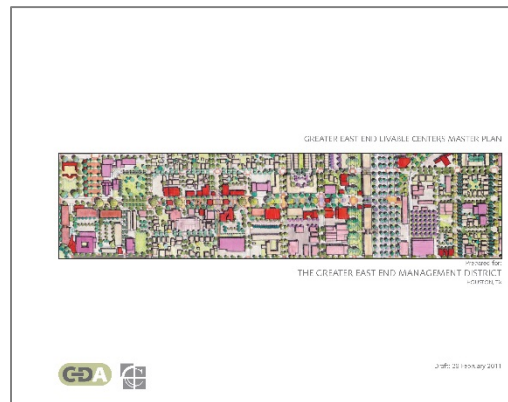
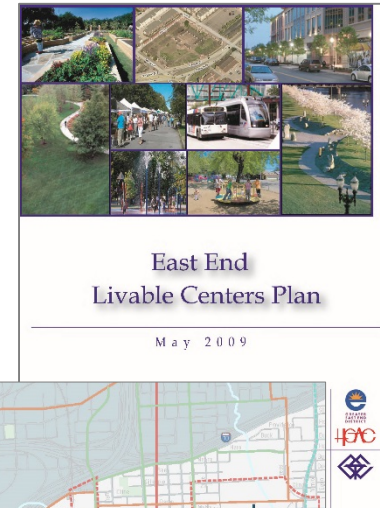
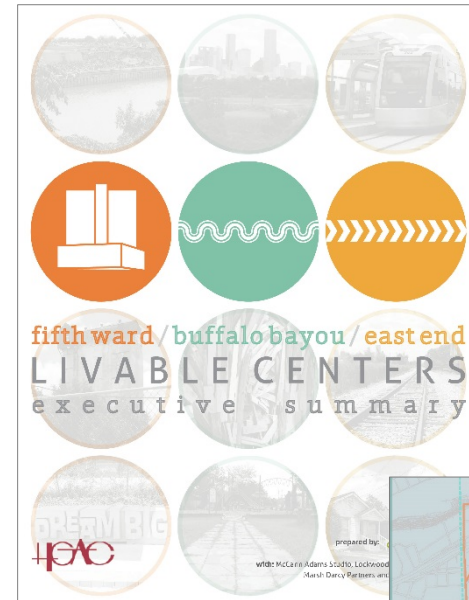
- **CONSOLIDATED VISION**
- **CREATE THE HARRISBURG LIVING INITIATIVE TO PROMOTE HIGH DENSITY & TRANSIT ORIENTED RESIDENTIAL DEVELOPMENT**

DESIGN

PLANS AND VISION

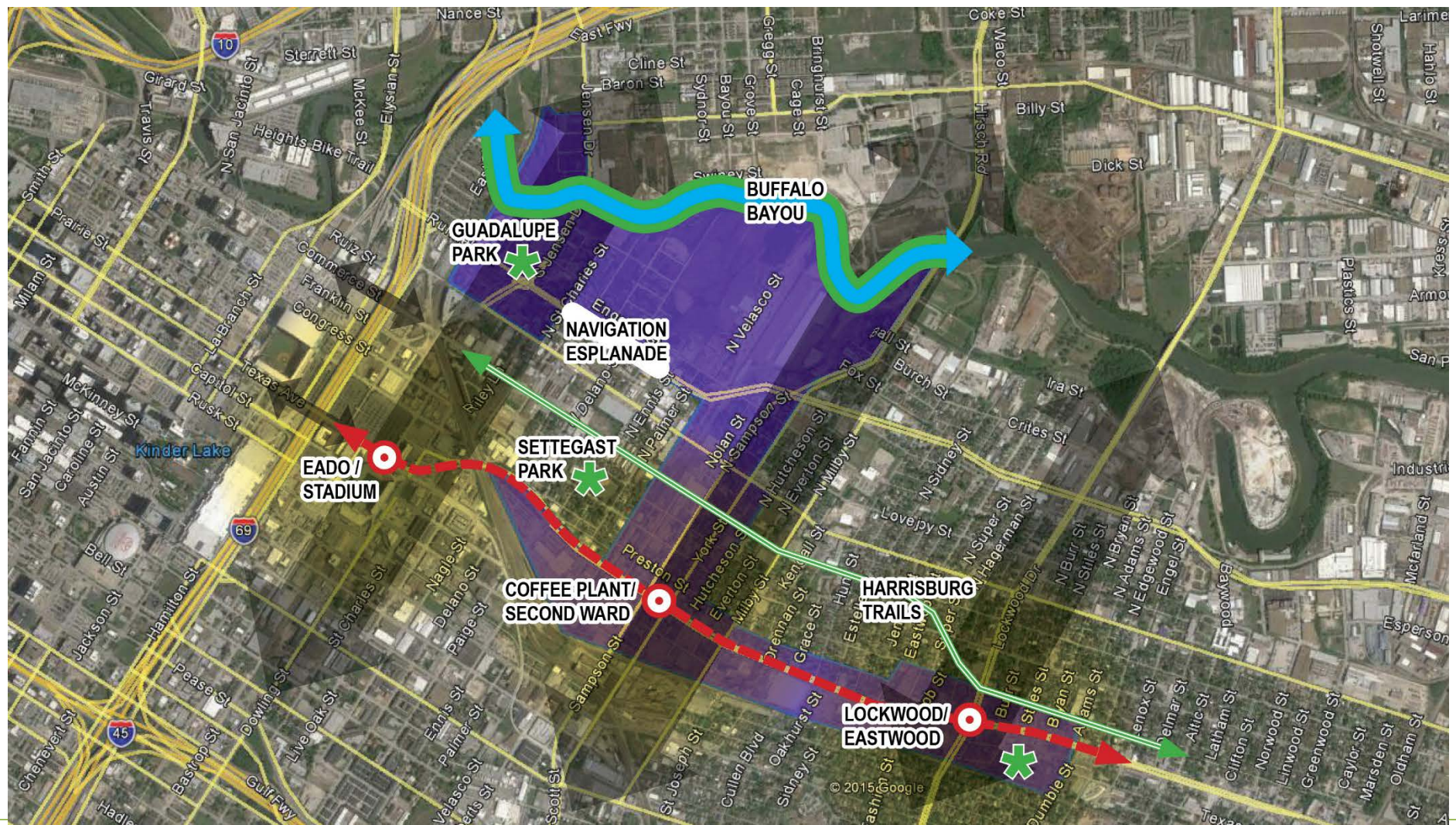
- Leverage past studies
- Need consolidated vision moving ahead
- Prioritize future projects

REINFORCE AND LINK ASSETS
ACCESS TO EAST END IS CHALLENGED
FUTURE DEVELOPMENT



DESIGN

REINFORCE AND LINK ASSETS



DESIGN

PLANS AND VISION
REINFORCE AND LINK ASSETS

ACCESS TO EAST END IS CHALLENGED

- Heavy Rail Lines
- Consider wayfinding and additional branding
- Continue to upgrade pedestrian corridors and the public realm

FUTURE DEVELOPMENT



DESIGN

PLANS AND VISION
REINFORCE AND LINK ASSETS
ACCESS TO EAST END IS CHALLENGED

FUTURE DEVELOPMENT

- Model after Downtown Living Initiative Plan (design guidelines)
- Consider reduced parking requirements around transit stations

Downtown Living Initiative Chapter 380 Program Design Guidelines



A. INTENT

The purpose of the following guidelines is to promote a robust, walkable neighborhood in the Downtown Living Initiative (DLI) area on the east side of Downtown Houston. Many new buildings in Downtown already comply with these guidelines. However, individual developments are often not coordinated with one another, resulting in a discontinuous pedestrian environment. In providing these guidelines, the goal is to ensure that property owners' efforts to provide a pleasant, walkable environment surrounding their buildings will coalesce into a continuous neighborhood.

Substantial public investment has improved most of the streetscape in the target area. It is the intent of these guidelines to maintain or further enhance this past investment.

B. STREET CLASSIFICATION

For the purposes of this plan, streets are classified into the following categories:

A Streets: Primary, potential building
B Streets: Secondary, potential building
C Streets: Vehicular (Refer to Figure 1 for more details)

On-street carous should be limited to 2 per block face on A streets and should be limited to no more than 24' wide. Carous should be spaced apart from each other and from street intersections.
On-street carous needed for building entrances should be located along C streets; however, carous should be limited to the greatest extent possible.
Where on-street carous are provided, they should not interrupt the surface of the sidewalk if possible (see Figure 4).
All on-street carous must comply with requirements set forth by the City of Houston Department of Public Works & Engineering.

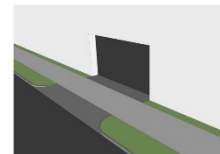


Figure 4: On-street carous should be limited to 2 per block face on A streets and should be limited to no more than 24' wide.

E. GROUND FLOOR USES

1. A Streets. Ground floors facing A streets should contain active uses. While retail is the preferred ground floor use, other acceptable uses include public building spaces, such as libraries, common building amenities, fitness facilities, open office space, reception space, day care centers, and food trucks. If a building or building use, a ground floor facing A streets should be configured such that they may accommodate retail in the future.

2. B Streets. While ground floors facing B streets should also contain active uses to the greatest extent possible, they may contain other uses, such as residential and office. Uses such as building entrances, storage, and structured parking should be avoided to the greatest extent possible along B streets.

F. GROUND FLOOR DESIGN

1. Transparency. Glassed storefronts should be provided on at least 60% of the wall area of the ground level between 3 and 8 feet above grade on all A streets and at least 40% of the wall area on B streets (see Figure 5).

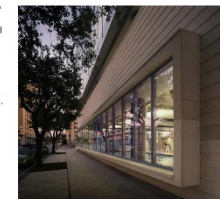


Figure 5: One building uses glass as an interior swimming pool for residents, they provide an active ground floor and which the pedestrian experience.



Figure 6: Transparency storefronts allow inward and outward view and permit the pedestrian experience.

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August 2012

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IMPLEMENTATION

Program Purpose

Create an area wide 380 agreement to promote economic development and stimulate business and commercial activity by providing economic and other incentives for new, pedestrian friendly multifamily residential mixed-use development

Proposal based on Recommendations of:

- Use the Downtown Living Initiative as a guideline

- Greater East End Livable Centers Master Plan

- East End Livable Centers Studies

- East End Mobility Study

- Buffalo Bayou Master Plan

- METRO: Transit Oriented Development Report: East End Corridor

IMPLEMENTATION

An economic study of the target area needs to be conducted to determine the exact metrics of the Harrisburg Living Initiative. An example of a comparable living initiative is as follows:

Initial Program Terms

Financial Incentives offered for the lesser of:

- 4 years; or

- The first 2,500 multifamily residential units

- The Second Program Term will incorporate a workforce housing component

IMPLEMENTATION

How it works

An example of a comparable living initiative is as follows: Developer of residential mixed use in accordance with the guidelines receives a reimbursement that is the lesser of:

- \$15,000 per unit; or

- 75% of the tax increment received by the Harrisburg TIRZ paid per unit for 15 years from project completion

- 75% of the incremental GEEMD assessment paid for 15 years from project completion

IMPLEMENTATION

Administration

The Harrisburg Living Initiative will be approved by the City and administered by the Greater East End Management District

GEEMD has the staff in place to and relationships with the current stakeholders

Other benefits to developers and residents

- Improved streetscapes: enhanced sidewalks and pedestrian realms
- Public transit including bus and light rail
- Access to existing bike and pedestrian trails and the Buffalo Bayou
- Infrastructure and utilities throughout the area

IMPLEMENTATION

Financial Outline

Funds are provided by the tax increment received by the Harrisburg TIRZ. The income and costs below are estimates. The actual numbers will be determined from the recommended feasibility study. The estimates are based in the following assumptions:

Housing initiative generates 2,500 Multifamily units, primarily along the LightRail line.

The units generated by the housing initiative will spur a grocery anchored retail project of approximately 100,000 SF.

The infrastructure improvements near the bayou will support 1,700 Multifamily units and 990 single family units.

IMPLEMENTATION

Three main sources of tax increment are:

Increment resulting from Multifamily projects proximate to the light rail.	\$ 250m
Increment resulting from retail projects proximate to the light rail.	15m
Increment resulting from residential development proximate to the bayou.	<u>403m</u>
	\$ 668m

Annual tax increment.	\$ 4m
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Two main areas of cost:

Housing initiative.	\$ 37.5m
Infrastructure supporting residential development near bayou.	43.6m
Total cost.	82.1m

FINDINGS + RECOMMENDATIONS

HOW DO WE LEVERAGE THE EXISTING PLANS THAT ARE ALREADY IN PLACE

- CREATE A “**SINGLE VISION**”
 - CARRIED OUT BY GEEMD
- DISTILL PLANS AS RELATED TO STUDY AREA
 - USE IT AS A MARKETING TOOL
- DETERMINE STARTING POINT
 - TARGET INCENTIVES

FINDINGS + RECOMMENDATIONS

WHAT ARE THE POTENTIAL BARRIERS THESE PLANS MUST OVERCOME?

PERCEPTIONS:

- NO COMPS FOR DEVELOPERS
- UNTESTED MARKET
- EDUCATION IN AREA / AVAILABLE SCHOOLS
- CRIME (MISPERCEPTIONS)

BAYOU LOCATION IN RELATIONSHIP TO RAIL LINE

- ACCESS POINTS

FINDINGS + RECOMMENDATIONS

WHAT INCENTIVES ARE NEEDED TO PROMPT SUCCESSFUL DEVELOPMENT?

- TARGETED BY LOCATION AND TYPE
 - 1ST: TOD MULTI-FAMILY MARKET RATE DEVELOPMENT
 - 2ND: % REQUIREMENT OF WORKFORCE HOUSING
- INFRASTRUCTURE INVESTMENT INCENTIVES
 - FOCUSED ALONG BAYOU TO PROMOTE DENSE HOUSING

FINDINGS + RECOMMENDATIONS

WHAT ADDITIONAL FUNDING SOURCES & PARTNERSHIPS ARE AVAILABLE TO ENSURE PLANS ARE REALIZED

- SOLIDIFY RELATIONSHIP WITH THE CITY
- LOOK FOR PHILANTHROPIC FOUNDATIONS TO ASSIST IN DEVELOPING AND MAINTAINING PARK SPACE
- TEAM WITH METRO ON PILOT PROGRAM TO INCREASE DENSITY ALONG HARRISBURG LIGHT RAIL
- BRING IN AN EXPERT TO FIND AND RAISE CAPITAL