

HOW THE CODENEXT MAP WAS DRAWN

September 15, 2017

Summary

The unlawful mapping actions by the CodeNEXT mapping team violate the City's master plan. They have been guided by consultants using a methodology designed to maximize profits for the real estate industry, to redevelop existing neighborhoods, and to displace current residents.

- Q: Is the CodeNEXT map lawful?
- **A: No.** It is unlawful because the map uses illegal criteria and applies them arbitrarily. See the companion piece to this paper dated September 13, 2017: Why the CodeNEXT Map is Unlawful. [http://www.communitynotcommodity.com/codenext-information/]
- Q: Did the City of Austin follow the guidance and direction of out-of-state consultants in drafting the map?
- A: Yes. The principal consultant is Fregonese & Associates, Portland, Oregon.
 [http://frego.com/about/]. This consultant's primary focus is on the redevelopment potential of property, i.e., maximizing developer profits.
- Q: What tool did the staff and consultants use?
- A: "Envision Tomorrow", a tool that draws maps based on development patterns and market forces. It is a <u>redevelopment</u> tool that as used in Austin has little or nothing to do with sound land use planning but instead in maximizing profits. When used to map new zoning districts for Austin, Envision Tomorrow will result in massive urban renewal and displacement of current residents in residential neighborhoods.
- Q: How do we know that the City's Planning Department actually used this tool?
- **A:** Because they have said so. See http://austintexas.gov/page/envision-tomorrow and the remarks of Jerry Rusthoven, senior manager in the Planning Department to the City Council September 6, 2017.

Q: How does the Envision tool work?

A: Its most telling aspect is that results are predicated on the potential return on investment ("ROI") to a hypothetical real estate investor who would demolish existing structures and build new. [http://frego.com/envision-tomorrow/, http://frego.com/prototype-builder] The tool is set out in an Excel dataset that estimates the impact of different factors based on specific assumptions, such as a mix of housing types. It produces results based on GIS-linked mapping decisions. Some examples of results are: the impact on property values, demolitions, housing costs, tax revenue, population displacement, jobs, and energy use. This explanation is on its website:

"Envision Tomorrow consists of two primary tools: the Prototype Builder, an ROI (return on investment) model spreadsheet tool, and the Scenario Builder, an ArcGIS add-on tool.

The Scenario Builder adds scenario-building functionality to ArcGIS. The first step is to design a library of buildings in the Prototype Builder. In the second step, the Scenario Builder can create development types and "paint the landscape" by integrating different development types across the study area to create unique land-use scenarios. The tool then can evaluate each scenario in real time through a set of user-defined benchmarks or indicators. The indicators measure scenario conditions such as impact on land use, housing, sustainability, transportation and economic realities. It also allows communities and regions to monitor progress over the short and long terms [http://frego.com/scenario-builder]

"As a stand-alone tool, the Prototype Builder is used to analyze the market feasibility of building types. It helps planners determine whether zoning and development codes will actually result in desired development outcomes given current and future market conditions. It can also be used to identify how various policy changes affect building type feasibility and how much funding may be needed to make desired development types "pencil out." This can include direct subsidies for individual projects as well investments in public amenities that tend to increase average rents in a community and open up new development opportunities." [http://frego.com/prototype-builder] (Emphasis added)

Q: What does this technical jargon from the City's consultants mean?

A: Cutting through the technical language, the tool is used to rezone areas to a desired outcome, in this case raising rents and creating profit-making opportunities for developers. It has little or nothing to do with sound land-use planning. In fact, in the wrong hands, it becomes an anti-zoning tool. It looks at established neighborhoods as if they are green fields, devoid of the human beings who have invested their savings and emotions in their homes and community.

To target an area for redevelopment, the tool uses an "attractiveness index" based on, among other criteria, year built and improvement-to land-value ratio. [Presentation 08 07 17 by John Fregonese to the Austin land use commissions] The CodeNext team also targeted neighborhoods using "demolition heat maps", that is, areas that have suffered the greatest number of teardowns of existing homes. They call these "areas of instability". [See the remarks of John Miki at the called meeting of the Austin City Council 06 28 17.] Some of their methods include, in their own words, isolating the "low hanging fruit".

Q: What is an attractiveness index?

A: At a joint meeting of the Austin Planning Commission and the Zoning and Platting Commission August 8, 2017, John Fregonese described how the CodeNext team used the "attractiveness index" to see "what can be redeveloped", using rents to recalibrate the Envision Tomorrow "redevelopment tool". He asks, "Which properties are most likely to be redeveloped to get to "the ten-year target of 135,000 new housing units for the city of Austin. He should know that the City's own demographer has stated that the correct number is 80,000 units. [See http://www.communitynotcommodity.com/wp-content/uploads/Three-flawed-CodeNext-Numbers-09-03-17.pdf]

Q: The Envision tool is designed purportedly as a "tool in participatory plan-making" to optimize outcomes for the community. Has there been true public participation in CodeNext?

A: No. Our City staff has not applied it as designed and has not really engaged the public. [http://envisiontomorrow.org/scenario-planning-with-et/] To date, there has been no real exploration of options or direct community involvement – participation – during the mapping process. The whole scenario process has been misused and manipulated in Austin. The tool is supposed to be used in a community iterative process with public feedback multiple times. The values of the community are supposed to be used to figure out what indicators are important.

From its earliest beginning, the entire CodeNext project has been based on "You will see it when you get it." An email from the Planning Department's Matthew Dugan to senior Planning Department managers dated Dec 19, 2012 indicates that long before the previous Council engaged the CodeNext consultants to revise the land development code, staff was discussing how to remap the entire city, how to transfer decisions from Council to staff, and how to deal with a recalcitrant public that "did not have the will" to accept staff proposals. [https://twitter.com/CodeNOatx/status/904824079345209348] The sole current Council Member who served on the previous Council that authorized CodeNext, Mayor Pro Tem Kathie Tovo, has repeatedly argued that CodeNext has exceeded the authority delegated by that Council. [City Council Special Called Meeting September 6, 2017] Throughout the course of CodeNext, City Staff has stifled true public engagement, has ignored the Code Advisory Committee, and has spent hundreds of thousands of dollars on a propaganda campaign to obfuscate its agenda of density-regardless-of-the-consequences.

Q: What does the Envision Tomorrow tool not do?

A: It does not address the social and racial equities of redevelopment as it impacts minorities, seniors, and low- to moderate-income residents, nor does the Fregonese engagement task it to estimate infrastructure impacts. See email dated August 18, 2017 from Fregonese urban planner David Fiske addressed to Zoning and Platting Commissioner David King in which he says, "Envision is color blind." See also the extensive critique of Envision Tomorrow by Jennifer S. Minner found at https://aap.cornell.edu/sites/default/files/J.%20Minner%20-Recoding%20Embedded%20Assumptions%20in%20the%20Adaptation_0.pdf, especially p 419.

The City of Austin has recently created an Equity Office which in turn has adopted its tool called the "equity lens". A recent request for public information sought any correspondence among City Staff relating to use of the equity lens in connection with CodeNext. The official reply, dated September 12, 2017 said, "The City does not have any information that is responsive to your request". [PIR #36589]

- Q: What else do we expect to see from the Fregonese work?
- A: Not enough answers. As late as September 6, 2017, John Fregonese was still unable to answer questions from Council Members regarding the forecasted location of new housing units, saying he will have it in "a couple of weeks". Earlier forecasts by Fregonese & Associates to answer this question were pulled from its spreadsheets, admitting that they had been prepared in error. These prior versions have been removed from the City's website. If Mr. Fregonese makes accurate forecasts of the impact of the proposed map on existing neighborhoods, history tells us that the City Staff will do its best to suppress or downplay it.

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