

ACC plans for Highland Mall envision 'new urbanist' development

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In planning the future of Highland Mall, Austin Community College and its partners envision a "new urbanist" setting with classrooms, administrative offices and a mix of residential, retail and other commercial development.

The portrait of a thriving public-private complex with perhaps 1,250 residential units and patches of open space emerges from four concept plans produced as the college acquired all of the land and some of the buildings at the North Central Austin site in a series of transactions totaling \$41 million.

The American-Statesman obtained copies of the plans from ACC under the Texas Public Information Act.

College officials emphasized in interviews that development scenarios sketched out in the plans amount to possibilities, not certainties, for how the area might be revitalized into a blend of educational and private uses.

The plans include no timeline. An operating agreement — in place before ACC acquired the property — essentially bars construction of new buildings for the next 10 years. The college also inherited a ground lease that runs to 2070 for mall buildings it does not own, including those housing small retail shops and the food court.

"We have an infinite timeline," said Bill Mullane, executive director of facilities and construction for ACC. "If it takes until 2070, that's OK."

The college intends, however, to accomplish its top priority for the site in two years or so: carving out classroom space in the former Dillard's, Macy's or J.C. Penney buildings to accommodate students who would be displaced when renovations take place at other campuses, such as Rio Grande.

ACC has been growing rapidly in recent years, with enrollment up 9.9 percent, to 41,582, in fall 2010 from a year earlier, according to the latest figures certified by the Texas Higher Education Coordinating Board.

In response, ACC has built a new campus in Round Rock and plans campuses in Elgin and Kyle, where voters last year agreed to join the college's taxing district.

ACC does not plan to develop the Highland Mall site into a full-fledged campus, said Neil Vickers, associate vice president of finance and budget.

Still, the concept plans foresee a substantial education-oriented footprint in the long term, including a conference center, a convocation center for large assemblies, a continuing education center and space for various nonprofit organizations.

All told, ACC could occupy 1.3 million square feet of existing and new space, according to the latest version of the plans. Private, mixed-use development in the form of apartments, restaurants, shops and offices along the perimeter of the property could total 1.2 million square feet. Parking garages and landscaping would replace some of the existing parking lots.

The concept plans, which were prepared by Austin-based McCann Adams Studio, envision the mall site along Airport Boulevard evolving into a gathering place for students, workers and surrounding residents, akin to Harvard Square in Cambridge, Mass., and the University of California, San Francisco, photographs of which are included in the plans.

The plans note that the existing Capital Metro rail station and bus stop adjacent to the property would further enhance the new urbanist flavor.

"We see tremendous potential over the long term for extensive redevelopment and repurposing at that site," said Matt Whelan, the principal at Austin-based RedLeaf Properties LLC, adding that his company would work with neighbors, city officials, ACC and other parties to build support.

Whelan has experience in local development, having overseen operations at the former Mueller airport site for Catellus Development Corp., the master developer for the neighborhood.

McCann Adams, formerly ROMA Austin, has crafted master plans for the Mueller project, the Waller Creek district and downtown.

Mayor Lee Leffingwell said the mix of public and private uses envisioned for the mall site would dovetail nicely with ongoing revitalization efforts, including studies looking into changing the zoning along Airport Boulevard to encourage more compact, pedestrian-oriented development.

"I think all the ingredients are there to make it a hugely successful enterprise over time," Leffingwell said.

He said he thought the new urbanist approach would be welcomed by surrounding neighborhoods, where he said many people have been "in a mild state of anxiety about what is going to be done with that property. I can't imagine it being hugely controversial, although almost everything is controversial to some degree here in Austin."

Martha Koock Ward, who is active in the Ridgetop Neighborhood Association and a member of the city's Airport Boulevard Advisory Group, said she would welcome a mix of public and private uses at a site that is now dominated by what she called "a sea of asphalt."

"The whole area is so incredibly devoid of life," Ward said. "You need to bring in something to soften it. We're very hopeful about what happens with ACC."

The concept plans say rezoning would be essential to realize the site's potential.

That would allow some buildings to be up to 150 feet high, or 13 floors, in contrast with the current limit of 60 feet. In addition, a drainage pond would need to be constructed on nearby land owned by the Texas Department of Transportation, according to the plans.

John Hurt, a spokesman for the Transportation Department, said negotiations are under way regarding a possible sale to ACC of most of two right-of-way parcels just east of Airport Boulevard and on either side of U.S. 290.

The concept plans were commissioned by RedLeaf Properties, which has been both partner and middleman in ACC's acquisition of the mall. The firm helped line up the tracts, bought them and sold them to the college in a series of transactions last year and this year.

The unusual arrangement made more sense than engaging in a bidding war with RedLeaf, which was working on acquiring mall property before ACC got involved, Vickers said.

Under the ACC-RedLeaf sales agreements, the company retains a 20-year option, with a possible two-year extension, to buy back up to 10 perimeter parcels for private development. Those parcels total 41.2 acres, just more than half of the 80.8-acre site.

A partnership of RedLeaf and Live Oak Gottesman LLC has offered the Austin school district a 50-year ground lease for 200,000 square feet of office space at the mall, most likely in one of the former department stores now owned by ACC. The partnership would make an upfront payment to ACC of an amount yet to be firmed up to cover 50 years of rent for the school district.

In return, the partnership would assume ownership of the district's West Sixth Street headquarters, which has about 128,000 square feet, plus 13 apartments. The partnership would not charge the district rent for continuing to occupy the West Sixth site for two years, a waiver valued at \$4.6 million.

Staff members at ACC and the school district have had preliminary discussions about whether a "co-location" at the mall could benefit both institutions through the use of shared spaces and operational efficiencies, Vickers said.

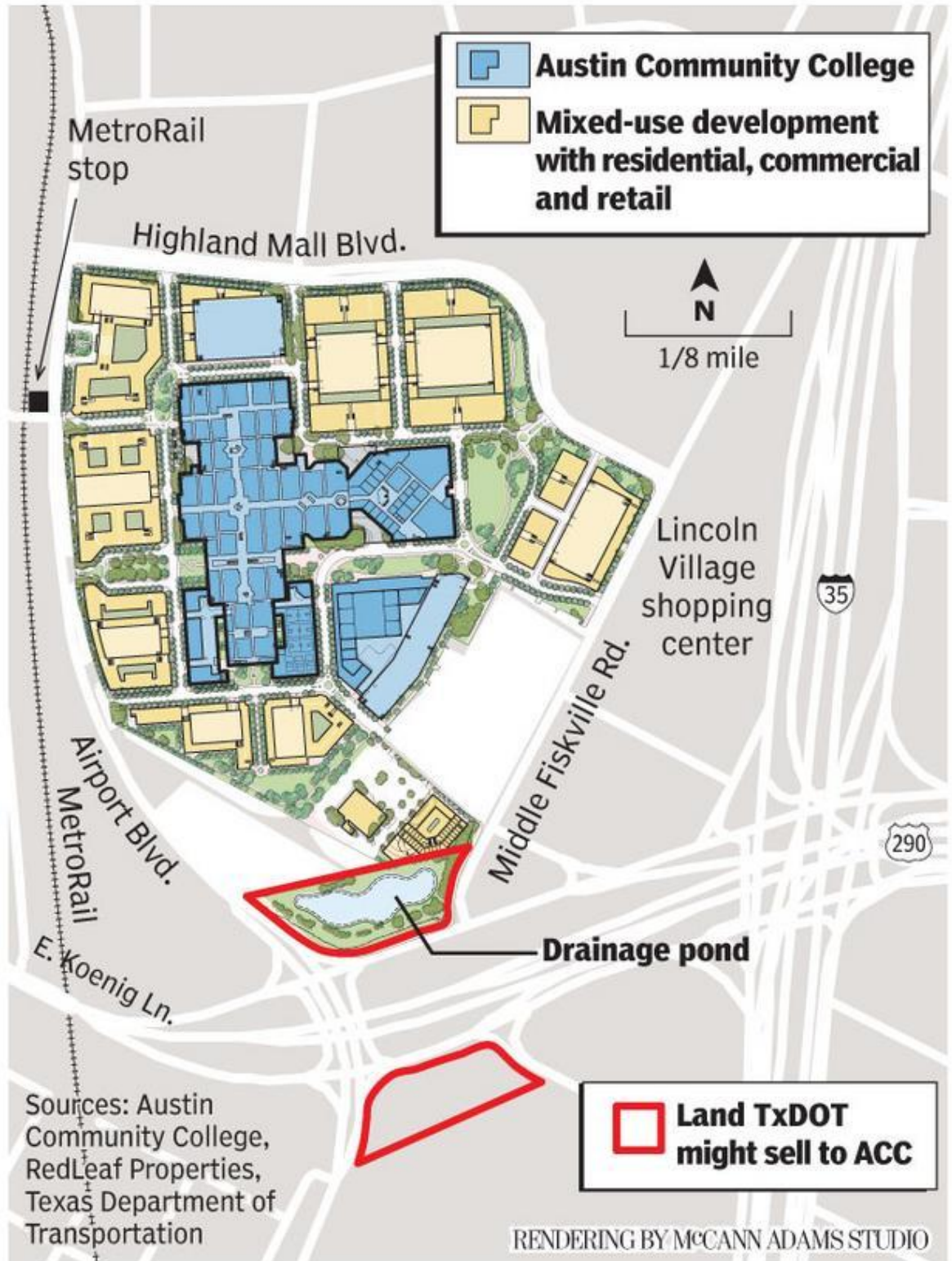
Meanwhile, ACC officials are analyzing the former Dillard's, Macy's and Penney buildings to determine which could best be modified for classroom use. The concept plans lean toward the former Macy's building.

The next priority for ACC is to decide which of the two remaining former department stores would best accommodate the college's administrative headquarters. The concept plans favor the former Dillard's building.

ACC officials have long wanted to consolidate administrative offices, which are currently housed in separate locations, including the school's nearby Highland Business Center and the Walnut Creek Business Park off U.S. 290 East.

Courtesy of JB Goodwin

Long-term Highland Mall draft plan



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