

A SECOND DOWNTOWN OVER BARTON WATERSHED?



David Kennedy/AA-S photos

On South MoPac Boulevard, apartments and offices have been carved into Austin's most environmentally sensitive area. Under a new law, more development is likely.

Estimates of permitted development say it could happen

Growth on springs

With more than 1.2 million square feet of office space built since 1995, the MoPac corridor is a hot growth spot — and it runs through the heart of the Barton Springs watershed. Inside, a graphic look at growth patterns and the geography of the recharge zone. A12

BY BEN WEAR AND DYLAN RIVERA
American-Statesman Staff

Twenty million square feet of additional development — comparable to another downtown Austin — could be built over the Barton Springs watershed under permits granted in the past two decades, according to an analysis of city data by environmental groups.

The new commercial development — most of it made possible by a new state law — is more than twice what the city's 1992 Save Our Springs ordinance would allow, according to the data compiled by the city.

The 362-square-mile area that stretches over the Hill Country southwest of Austin feeds a limestone aquifer that provides well

water for about 45,000 people and pumps millions of gallons a day into Barton Springs, the iconic swimming hole and focus of Austin political battles for two decades.

Environmental activist and green political guru Mark Yznaga calls the prospect of the development a "disaster." Council Member Daryl Slusher calls it "a real serious threat."

The analysis — based on broad assumptions and extrapolations — is still rough, subject to interpretation and overstates the problem, some city officials and others say. "The only story is that nobody knows," Real Estate Council of Austin president David Armbrust said.

See Law, A12



The Terrace is constructing 115,000 square feet of office space in the Barton Springs watershed. Another 970,000 square feet are planned.

Law lets developers dust off old projects

Continued from A1

But the watershed, until a few years ago a rural area that now is liberally sprinkled with apartment complexes, subdivisions, shopping centers and tony office buildings, almost certainly will see significant additional development in the next few years.

The potential massive development nonetheless would not come close to levels necessary to irreversibly damage the aquifer, based on city data about the current state of the watershed. The greater threat, city officials and environmental activists say, lies in the long-term potential growth into the outlying 70 percent of the aquifer beyond Austin's jurisdiction and strict water-quality laws.

For the people in the path of the westward march of development in the watershed, such as 15-year Western Oaks resident Mary Castetter, the numbers could mean greater convenience and choice. H-E-B and Randalls are fighting over grocery shoppers on William Cannon Drive. But it also will mean looking at fast-food joints where live oaks once stood and at big home improvement stores and three-story garden apartments where cattle formerly grazed.

In the past three years, about 1,500 apartment units have been built within a mile of Castetter's neighborhood near South MoPac Boulevard (Loop 1) and William Cannon Drive.

"It clogs the roadways, and there's just so much," Castetter said. "It seems like when one of them goes up, the next thing you know, there's six of them."

The numbers, rough as they are, give some shape to the long-running debate over the future of Barton Springs and the explosion of development upstream. When building surfaces cover land that used to be vacant, rainwater flows to the springs more rapidly and carries more pollutants. Austinites have elected City Council members who say they want to minimize that pollution to keep Barton Springs clean and flowing.

But even in the part of the watershed that Austin controls, the Legislature trumped the city's authority by passing House Bill 1704 this spring, which reinstated a 1995 law and allows developers to dust off their old projects and build them with more density under outdated regulations.

"With the passage of the legislation, they (developers) have pretty much forever to build all the buildings," said Mary Arnold, a Save Our Springs Alliance board member. "The more you look at the numbers, the scarier it gets."

Surprisingly low cover

As with so many aspects of the long-running Barton Springs watershed issue, where people go with the numbers in the city's analysis depends mostly on where they're coming from. The city will try to answer some of the questions with an ongoing study, due in about four months, that will attempt to further refine the statistical and geologic picture of the aquifer's situation.

The fundamental questions came up late last year when the Real Estate Council and the Save Our Springs Alliance, antagonists for many years, sat down to try to bridge their differences.

The developers wanted to loosen up city rules on future developments and, perhaps, on long-dormant projects as well. The environmentalists wanted to tighten the rules and head off an expected legislative push to reinstate the 1995 grandfathering law.

The situation was ripe for compromise, but SOS first wanted to know more about what had been built and what could be built.

The city didn't know, and still doesn't, how many square feet of development exist over the watershed. But the city, in this winter's companion study to its look at grandfathered projects, scanned aerial photos from 1997 and estimated that 3.1 percent of the aquifer is currently covered by buildings, parking lots and other surfaces that speed runoff and damage the aquifer.

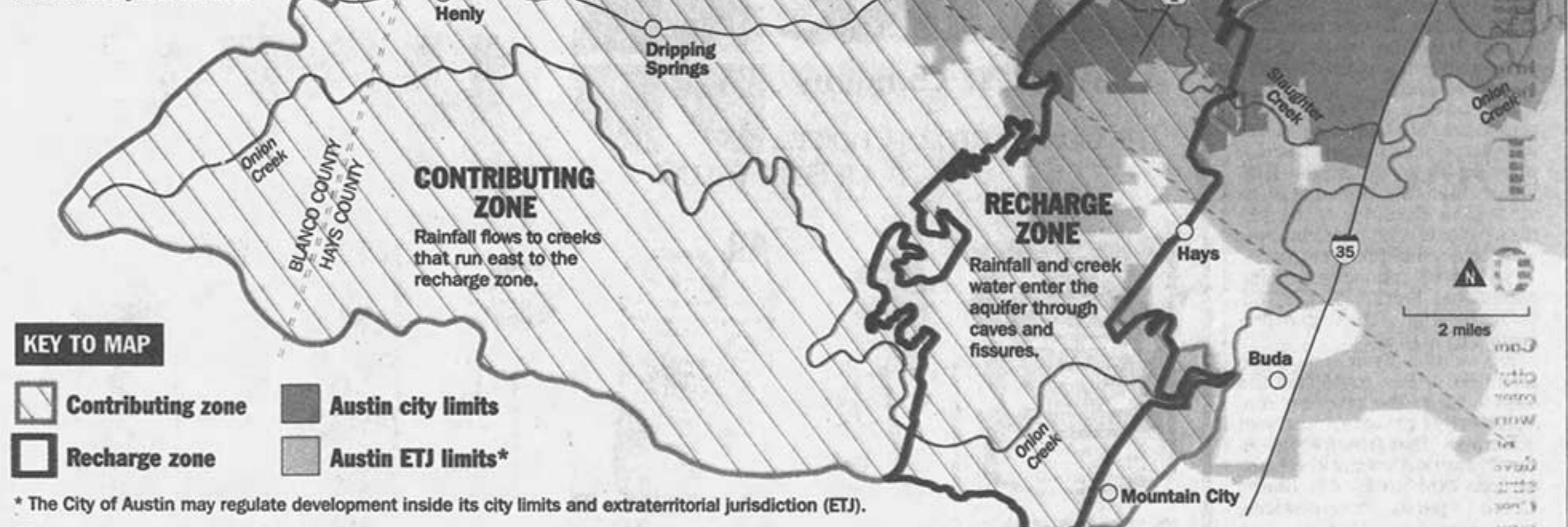
That surprisingly low level of cover shouldn't be interpreted as granting license to unleash the bulldozers, environmental activists say.

"One of the things we don't have is how that number's changed in the last five or ten years," said Lauren Ross, an engineer who helped draft the city's 1992 Save Our Springs water-quality law. "Let's say it's doubling every five years. That means in five more years we're at 6 percent. And in ten years we're at 12 percent. And it may be faster than that."

It also could be slower. The city in March produced a report on projects with permits waiting to

Barton Springs Zone

Stretching more than 25 miles from Town Lake to Blanco County, the 362.3-square-mile Barton Springs watershed funnels rainwater — and any oil, fertilizer or other contaminants it washes off the land — through the Edwards Aquifer to Barton Springs and water wells for 45,000 people. A generation of development has transformed what used to be ranchland upstream of the pool into an increasingly urbanized and environmentally damaging area of subdivisions and shopping centers. Pending development permits could add millions of square feet of development in the 107.5 square miles in the City of Austin's jurisdiction.

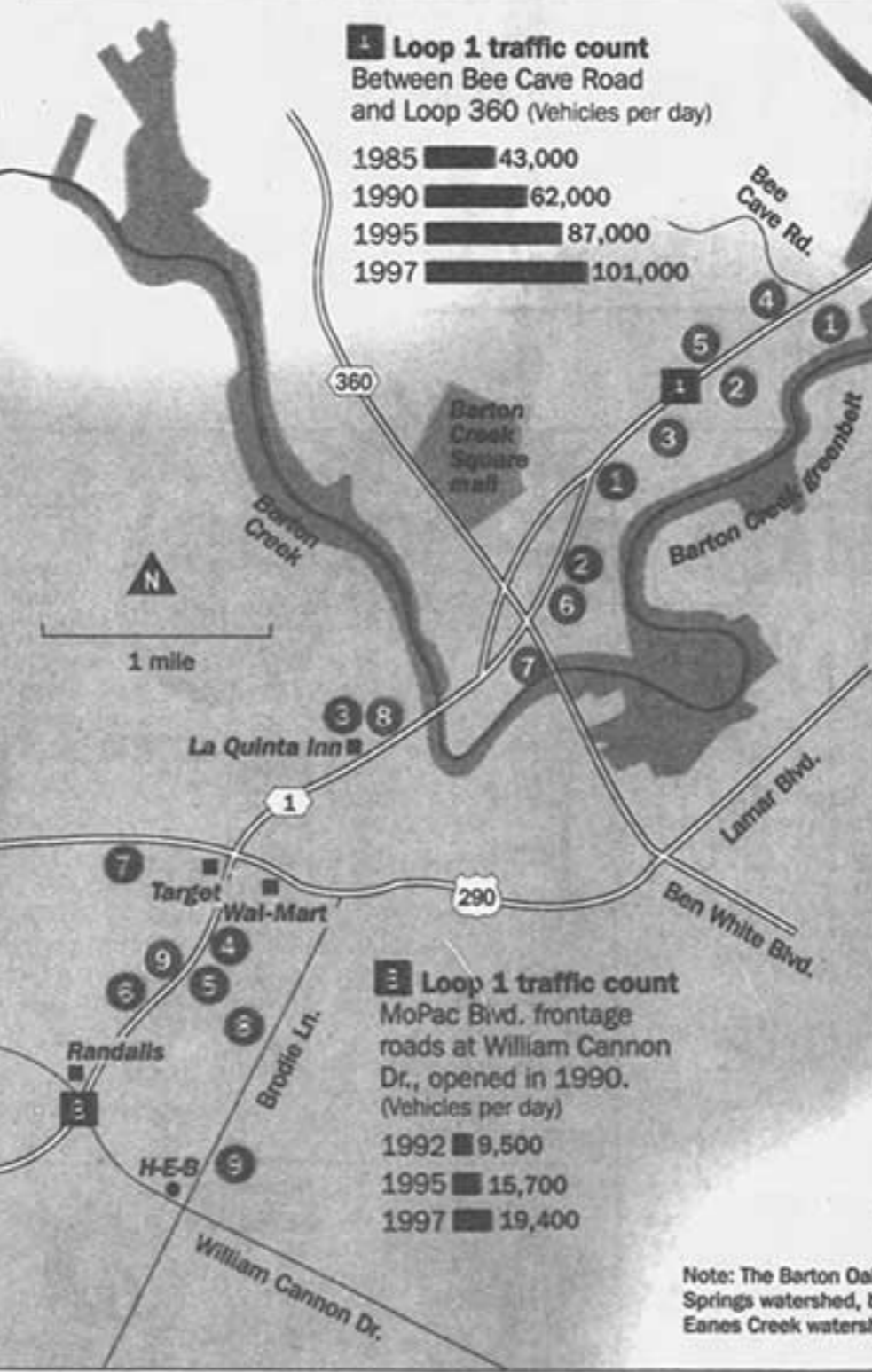


How much density

Existing development in the Barton Springs watershed might not be as dense as popularly assumed, based on conclusions of a City of Austin study. Scientists say the aquifer would be severely threatened if surfaces that speed water runoff and increase pollution cover 10 percent of the watershed. The study, based on 1997 aerial photos and assumptions, shows that overall about 3.1 percent of the watershed is covered by such surfaces, which can include buildings and parking lots.

	Total (sq. miles)	In Austin jurisdiction (sq. miles)	Non-Austin jurisdiction (sq. miles)	Total surface cover (percent)	In-Austin surface cover (percent)	Non-Austin surface cover (percent)
Recharge zone	92.1	43.9	48.2	5.9	11.4	0.9
Contributing zone	270.2	63.6	206.6	2.1	5.0	1.2
Total/Average	362.3	107.5	254.8	3.1*	7.6*	1.1*

* Total for surface cover columns is actually the average over the entire watershed or area of the watershed.



A snapshot of growth

South MoPac Boulevard (Loop 1) runs through the middle of the sensitive Barton Springs watershed, creating one of the city's hottest markets for office buildings and apartments. With views of the Austin skyline and proximity to downtown, the corridor has at least 1.2 million square feet of new office space since 1995 and another 535,000 square feet is under construction. In the past two years, 2,412 apartment units have opened in the area, attracting some of the highest rents and highest occupancy rates in Austin and increasing traffic along the way. New information shows that millions of square feet of commercial space could be built under older, weaker environmental rules. Below are some of the apartments built in the past few years.

Office projects	Size (sq. feet)	Apartments	Number of units
1 Barton Oaks Plaza	572,000	1 The Reserve at Barton Creek	160
2 Barton Skyway	200,000	2 Gables at the Terrace	308
3 Spyglass Point	60,000*	3 Gaines Ranch	390
4 MoPac Circle Office Condos	33,290	4 Austin Trail	150
5 Temple-Inland Mortgage Corp.	450,000	5 Summit Las Palmas	448
6 The Terrace	115,000	6 Sedona Springs	396
7 The Park on Barton Creek	200,000**	7 Monterey Ranch	456
8 The Overlook	53,000	8 Jefferson at Sunset Valley	210
9 Monterey Oaks Corporate Park	160,000*	9 Jefferson at River Oaks	290
Total	3,128,290	Total	3,424

* Under construction ** Proposed

Source: City of Austin Watershed Protection Department, Colliers Oxford Commercial Research Services, Commercial Broker's Network, Austin Investor Interests, Texas Department of Transportation, Barton Springs/Edwards Aquifer Conservation District

Research by Ben Wear, Dylan Rivera/AA-S
Graphic by Linda Scott/AA-S

go forward. The report shows nothing like another 9 percent of surface cover waiting to happen.

Even if all the grandfathered developments were built — which is far from certain — they would cover no more than an additional 1 percent of the watershed. The aquifer would not be irreparably damaged, most experts agree, until such cover reaches about 10 percent.

But that 1 percent could make a growing problem significantly worse, Ross said. That's because the densest development in the Barton Springs watershed — including the grandfathered projects that can be built under weaker rules — are planned for the recharge zone, the area of the watershed where runoff flows through cracks and fissures directly into the aquifer.

"Any development in the recharge zone has much higher risk for several different reasons for degrading Barton Springs than development in the contributing zone," Ross said.

In the less sensitive "contributing zone," which stretches into Hays and Blanco counties, rainfall has a longer journey to make before it reaches Barton Springs, Ross said. Water passes through more vacant land, streams and vegetation that can draw out the pollution, leaving cleaner water flowing to the recharge zone and the aquifer.

The 42-page compilation of about 200 pending projects — including information about the date they began, their progress and size — is marred, city officials admit, by duplication, inaccuracies and the notable absence of the two largest and most controversial developments in the watershed: Circle C Ranch and Barton Creek Estates. The city left those off because both are part of so-called water quality protection zones that could be immune to city water-quality regulations.

The city turned over the information in March. The SOS Alliance, after reviewing it, agreed to a "truce" with the Real Estate

Council. The deal, now moot, would have allowed developers with old permits in the watershed to build under more permissive rules as long as they agreed to preserve other land.

The agreement failed to persuade the Legislature, which passed HB 1704 a few weeks later. The law requires cities to allow developers to build under the rules in effect when they file their first permit applications, not the potentially more restrictive local laws in place later when the project actually moves forward.

Austin, unlike most Texas cities, until September 1997 had allowed permits to remain valid indefinitely. For earlier permits, the city had applied whatever rules were in effect when the developer filed final construction plans. The canceled 1995 legislation, and now HB 1704, outlawed that approach.

Varying square footage

What do the data on grandfathered developments say about the watershed's future?

Armbrust, despite more than 20 years of experience with development in the aquifer area, said the data defy analysis. Ross and the SOS Alliance made a stab at it anyway, using the city's figures for how much commercial development could be built under the regenerated grandfathering law and using the same assumptions to calculate how much could be built under the more restrictive SOS ordinance.

An early version of the city's data led to the much higher 20 million square feet of commercial development, defined as office and retail centers, and about 4,100 multifamily units could be built under HB 1704. That would cover about 900 acres, less than half a percent of the watershed.

A more recent incarnation of the data led to the much higher 20 million square feet figure and about 1,400 acres of surface cover, still only 0.6 percent of the watershed but comparable to the 19 million square feet of development in downtown Austin.

Ross also says that about half as much, 9.1 million square feet, could be built under the SOS ordinance. That seems to buttress the perception fed by the spate of large buildings going up along South MoPac Boulevard in the past couple of years — some built under SOS rules, some not — that the green community's political victories have not translated into the anticipated development clampdown.

How much would Circle C and Barton Creek add to the mix? Given the pending tangle of lawsuits between the city and the developers, estimating how much will get built at those two sites is difficult.

But Circle C has about 2,100 acres left to develop and Barton Creek about 2,000 acres. All the other pending permits, meanwhile, involve about 5,300 acres. Given that, commercial development over the watershed could be nearly double the numbers in the

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Development estimates overstated, some argue

Continued from Previous page

city's analysis. Two downtowns over the watershed, in other words.

But a source familiar with both developments puts the likely construction at Circle C and Barton Creek Estates, not counting single-family subdivisions, at no more than 1.5 million square feet of commercial development and 3,000 apartments. And the city, which annexed Circle C in 1997, can control commercial development there not only with the SOS law but by withholding needed zoning, a strategy it feinted at when Motorola proposed a large office complex at Circle C last year. Motorola picked a site off the watershed instead.

And all of the proposed development, including that with permits and the proper zoning, is subject to market forces. Many of the permitted projects may not get built for years, if ever.

Charles Helmsath, a real estate market analyst, said the entire city has about 26 million square feet of leased office space. Helmsath expects growth of no more than 1.5 million square feet this year citywide. The watershed developments will get only a piece of that pie, not the whole pan.

"We do believe, and we've all discussed, that they're probably overestimated significantly," said Pat Murphy, the city's environmental services manager.

The city, however, can control only so much in the long run. About 70 percent of the watershed is outside the city's jurisdiction and is subject only to the more lax development controls of the Texas Natural Resource Conservation Commission, Dripping Springs and other local governments.

And with the Lower Colorado River Authority contemplating bringing Colorado River water to the area between Oak Hill and Dripping Springs, environmental activists fear an explosion of growth to the west in coming years.

Businesses booming

Such a development bomb hit closer to Austin several years ago.

Vicki Varner, manager of Exmoor Pet Care on Brodie Lane just south of William Cannon Drive, says the area around the kennel facility had a pastoral quality when she came there 11 years ago. "There was no traffic; there were no shopping centers," Varner said. "It was very country, very quiet, very peaceful."

Now there are two shopping centers about a mile north on Brodie Lane and two new apartment complexes in between. An H-E-B is under construction at Brodie Lane and William Cannon Drive.

When Varner, who lives in Central Austin, leaves work in the evening, cars back up a couple hundred feet from William Cannon Drive, making it hard for her to get out and make her way to MoPac Boulevard.

"It's good and bad," she said. "Business-wise, we couldn't be doing better," Varner said. "Our business has tripled. We used to be a destination out here. Now we're on the way to town for a lot of people. ... But it used to feel better."

The great fear for environmental activists and the City Council is that people in Dripping Springs and the edges of the Hill Country might be making similar



A LaQuinta hotel was built near the intersection of MoPac Boulevard and U.S. 290 outside the entrance to Gaines Ranch.

Protecting the Barton Springs watershed

While a large amount of development could be allowed by law in the Barton Springs watershed, other factors might keep office buildings, apartment complexes and subdivisions from being built:

- The City Council still can use zoning to reject commercial and large-scale developments in Circle C and other areas in the city limits.

- The real estate market may make it unfeasible to build much of the dense development.

- City and private enterprises can accelerate buying land and development rights to preserve acres for water quality.

- The City Council can offer incentives for developers to comply with the SOS ordinance or contribute to buying land for preserves.

- Publicity about the environmental effects of development over the watershed may discourage construction.

- Lack of clarity on which rules apply to some grandfathered developments may mean current estimates of what can be built are high.

Source: Staff research

comments a decade from now.

Voluntary compliance

The city, although it has challenged in court certain state laws targeting its efforts to control development to the southwest, is unlikely to take on HB 1704. But council members say the city can take other approaches to protect Barton Springs.

For one, Mayor Kirk Watson said, the city will encourage landowners with grandfathered developments to voluntarily comply with SOS or the terms of the now moot truce between SOS and the Real Estate Council.

"You're going to see quite a bit of voluntary acquiescence with this agreement," Watson said. "Even though they may have certain rights that exist as a result of

'The truest way of assuring that we preserve the lakes and hills and protect the rights of landowners is when you pay market value for that property and it's not developed.'

Mayor Kirk Watson

House Bill 1704, they're going to develop in a way that is sensitive to the community."

Given the 255 square miles outside the city's regulatory control, taking land off the real estate market entirely is a crucial step, Watson says.

"The truest way of assuring that we preserve the lakes and hills and protect the rights of landowners is when you pay market value for that property and it's not developed," Watson said.

Voters last year approved spending \$65 million in water fees to buy land in the watershed, and the city has almost completed those purchases. It's not likely that the city would go spending millions more anytime soon, Slusher said.

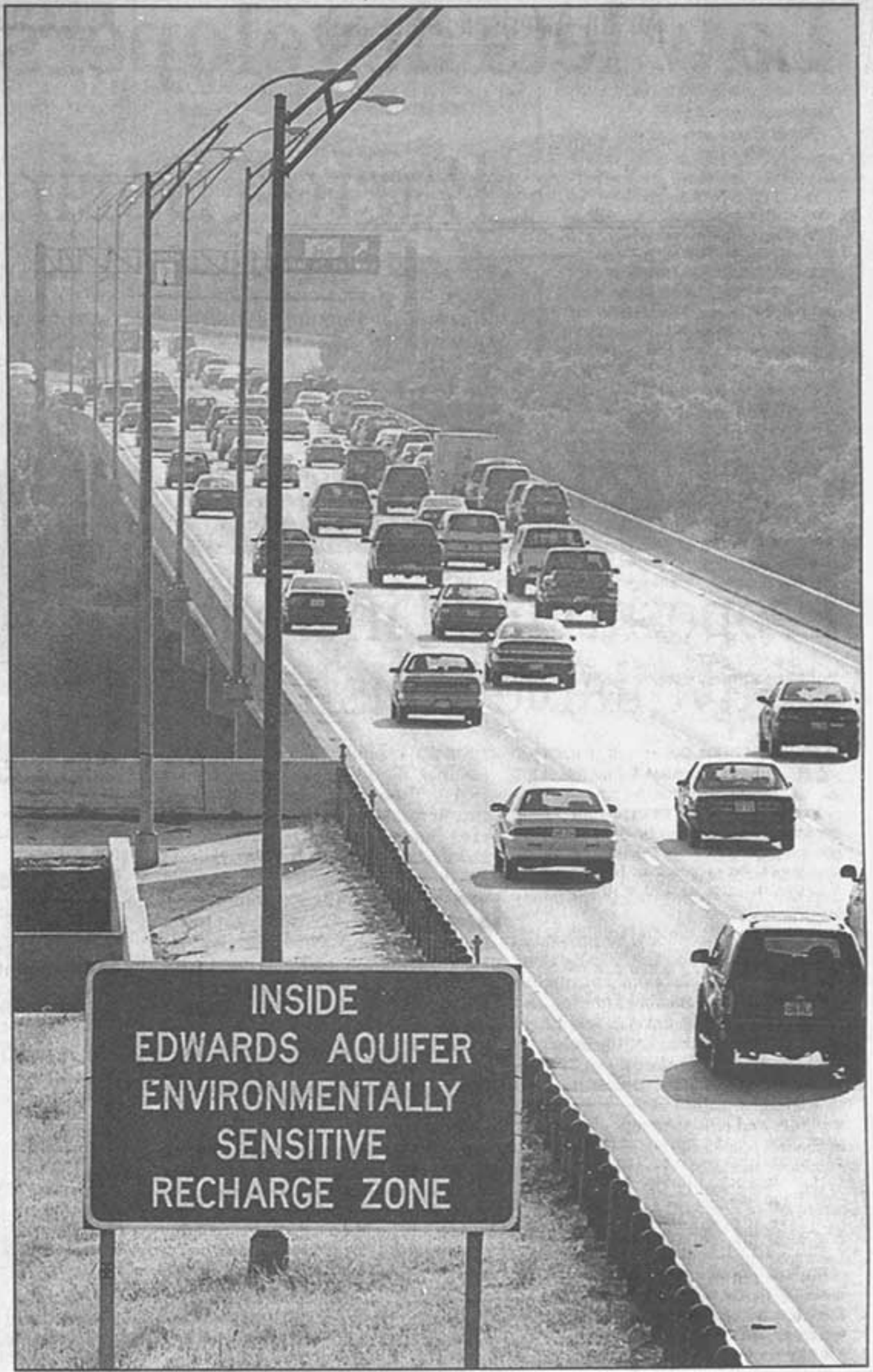
Watson hopes that nonprofit organizations, developers and others will look to buy more land. And the city hopes to get its hands on some federal anti-sprawl money that could become available, he said.

Stovy Bowlin, general manager of the Barton Springs/Edwards Aquifer Conservation District, said although the city must act to preserve the aquifer, action must be based on a more thorough knowledge of the subject.

"There's a whole lot more stuff we need to know before anyone can say definitely, 'This is how it is' and what needs to be done," Bowlin said.

"That shouldn't stop the effort to protect the (aquifer) or mean that development should be untethered. But the environmental community still has a responsibility to base public policy on good science rather than conjecture."

You may contact Dylan Rivera at drivera@statesman.com or 445-3819.



Increasing traffic over MoPac Boulevard (Loop 1) — which runs across Barton Creek and through the heart of the Barton Springs recharge zone — is one sign of the area's appeal for office and apartment buildings.

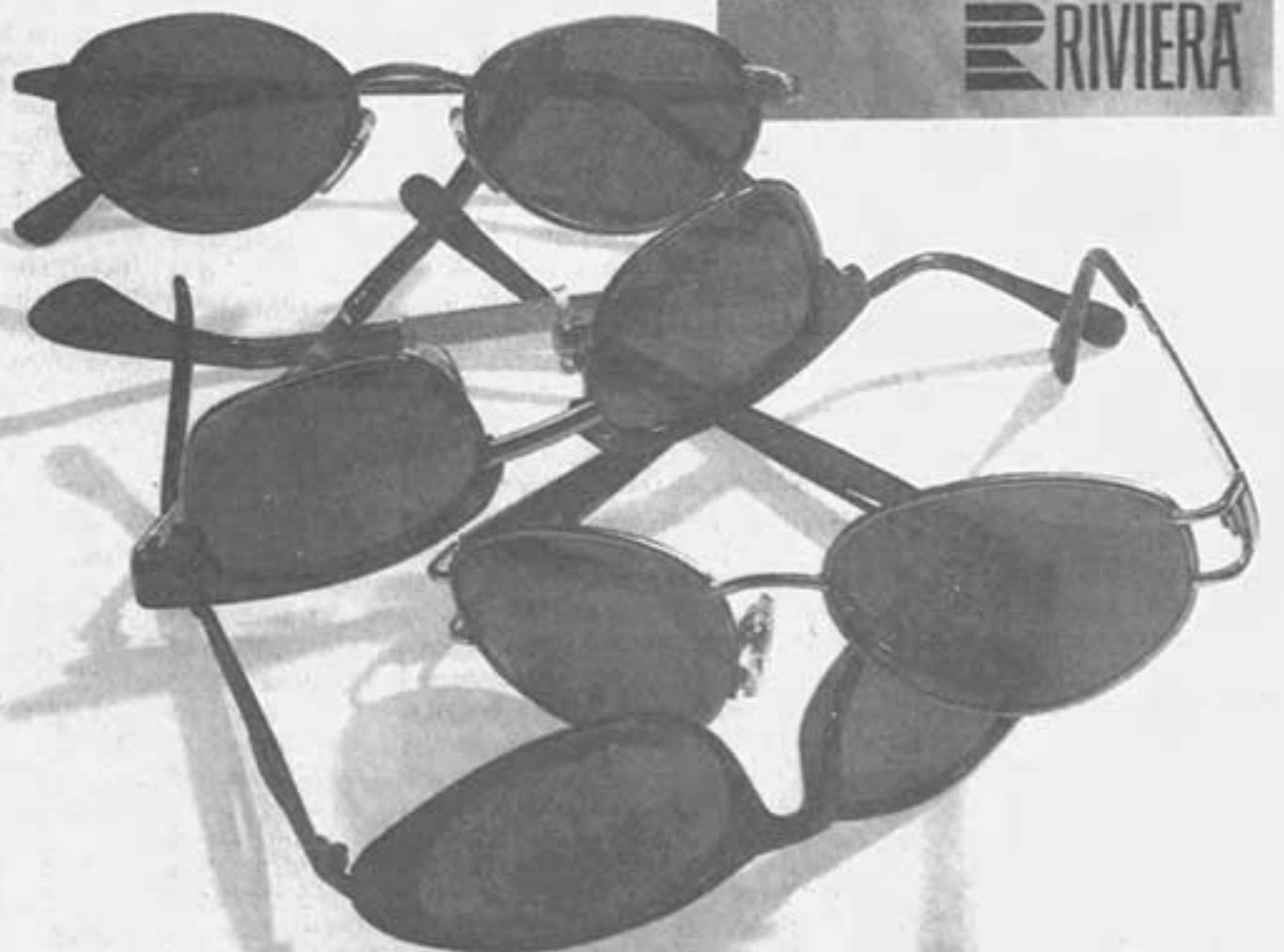
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