

CLARK, THOMAS & WINTERS

A PROFESSIONAL CORPORATION

TELEPHONE (512) 472-8800

POST OFFICE BOX 1148
AUSTIN, TEXAS 78707

FAX (512) 474-1129

300 WEST 6TH STREET, 15TH FLOOR
AUSTIN, TEXAS 78701

January 16, 2008

RECEIVED

JAN 16 2008

Neighborhood Planning & Zoning

Mr. Jorge Rousselin, Case Manager
Neighborhood Planning & Zoning Dept.
City of Austin
P. O. Box 1088
Austin, Texas 78767

Re: PUD Application No. C814-2007-0163
The Venue at Lake Travis
Applicant: DHD Venture, LLC

Dear Mr. Rousselin:

As I am sure you are aware we represent the Applicant in the above referenced zoning application which was filed with the Intake Department at the City of Austin on August, 28, 2007. The matter was to be presented to the Zoning and Platting Commission on December 4, 2007 and the matter was postponed at our request. The matter is currently set to be presented to the Zoning and Platting Commission on February 5, 2008. In addition, I believe the matter is scheduled go before the Environmental Board today, January 16, 2008. A second item pending is a request for annexation that was filed on September 9, 2007. First reading of the annexation occurred on December 13, 2007. The second and third readings are scheduled on February 28, 2008.

The Venue is a project that was uniquely suited for development in the Four Points area and was designed to provide amenities to the local community that are not now available and for which local residents have to travel a great distance every day. Having been conceived as a traditional retail facility, the Venue transformed to the current concept through application of the 2222 Corridor Study and the urgings of City Council Members. Through interaction with the WPDR staff and other interested parties the Venue emerged in July of 2007 as a true town center development.

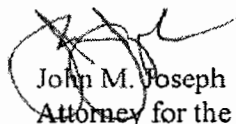
As I am sure you are aware, my Client was approached by the City of Austin in November of 2007 with the request that it enter into negotiations for the sale of property upon which the PUD was proposed for the location of Water Treatment Plant No. 4. Those negotiations began and a contract was entered into with the City of Austin on December 13, 2007 for the acquisition of not only the property the subject of this application but also the adjacent Theriot 20 acres. After weeks of environmental and development due diligence the property, upon which the Venue was proposed, was purchased by the City of Austin on January 15, 2008.

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Although my Client firmly believes in the town center concept and feels that the Four Points area is in need of this type of development, in as much as the City of Austin is now the owner of the property and does not desire to process the pending PUD application, the above referenced application is withdrawn. We have enjoyed the opportunity of working with the WPDR staff and look forward to identifying a property that is as well suited as the subject property for a town center.

Sincerely,



John M. Joseph
Attorney for the Applicant

cc: DHD Ventures, LLC
Rudy Garza, Asst. City Manager
Betty Baker, Chair, Zoning and Platting Commission
Dave Anderson, Chair, Environmental Board
Jerry Rusthoven, Neighborhood Planning & Zoning
Greg Guernsey, Neighborhood Planning & Zoning