

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	14359	Agenda Number	13.
Meeting Date:	5/24/2012		Department:	Economic Growth and Redevelopment
Subject				
Approve an ordinance amending the Fiscal Year 2011-2012 Economic Growth and Redevelopment Services Office Capital Budget (Ordinance No. 20110912-006) to appropriate \$20,375,144 for infrastructure improvements in the Seaholm Development District. Related to Item # 12.				
Amount and Source of Funding				
Funding in the amount of \$20,375,144 will be available in net revenues from the Austin Water Utility which will be made available due to sale proceeds and other developer contributions in conjunction with the Green Water Treatment Plant Master Development Agreement.				
Fiscal Note				
A fiscal note is attached.				
Purchasing Language:				
Prior Council Action:	December 13, 2007: Council approved the Seaholm Development District Designation and initiated rezoning. February 14, 2008: Council approved criteria and guidelines for Request for Proposals. February 28, 2008: Council approved evaluation criteria for Request for Proposals. June 18, 2008: Council authorized negotiation and execution of exclusive negotiating agreement with TC Austin Development, Inc., Construction Ventures, and USAA. October 14, 2010: Council approved an ordinance to execute a Master Development Agreement with Constructive Ventures, Inc. and TC Austin Development, Inc. for redevelopment of Energy Control Center (ECC).			
For More Information:	Kevin Johns, Director / EGRSO, 974-7802; Greg Canally, Deputy Chief Financial Officer / Finance Dept, 974-2610			
Boards and Commission Action:				
MBE / WBE:				
Related Items:				
Additional Backup Information				

The City has initiated efforts to redevelop property formerly occupied by the Green Water Treatment Plant. A related council action will allow the City to enter into a Master Developer Agreement with TC Green Water Master Developer, LLC. to redevelop the property.

The agreement with TC Green Water Master Developer, LLC results in the city receiving \$42,400,000 in land sale proceeds. In addition to the land sale proceeds, the developer will be making contributions in the amount of \$250,000 for Shoal Creek Improvements, \$375,000 for the Art in Public Places (AIPP) program and \$150,000 for a Music Program, both in the Seaholm Development District (District). These funds will be deposited into a Special Account Fund of the Austin Water Utility.

In accordance with prior Council actions, State law, and the City's bond ordinances regarding the use of these proceeds, this total of \$43,175,000 in revenue from the developer will be deposited into a Austin Water Utility Special Account Fund. \$14,299,856 will be used to reimburse Austin Water Utility for costs already incurred for the decommissioning of the Green Water Treatment Plant.

The remaining funds may be transferred to the utility system fund, and then to the general fund, for lawful purposes upon determination that the funds are net revenue. The following lists the anticipated disbursements:

Reimbursements to Austin Energy - \$8,500,000

- \$8,500,000 will be used to reimburse Austin Energy for costs already incurred for the downsizing of the Seaholm sub-station.

Infrastructure - \$19,850,144 to fund new appropriation (included in this budget amendment)

- These funds will be used to build out Second Street from West Avenue to San Antonio Street, including a new bridge; improvements to Shoal Creek; and to build out Nueces Street from Cesar Chavez to 3rd Street.
- The City will be responsible for building out the portion of Second Street from West Avenue to the east bank of Shoal Creek, including the new bridge and improvements to Shoal Creek; this effort will be done in conjunction with the New Central Library project.
- The developer will be responsible for building out Second Street from the east bank of Shoal Creek to San Antonio Street, as well as Nueces Street from Cesar Chavez to 3rd Street; the City will reimburse the developer for these costs as the work progresses; these reimbursements are expected to be \$8.5 million.

Art In Public Places - \$375,000 to fund new appropriation (included in this budget amendment)

- These funds will be used for an AIPP project in the District.

Music Program - \$150,000 to fund new appropriation (included in this budget amendment)

- These funds will be used as part of a music program project in the District.

If sufficient net revenues are not available for these purposes, the City will consider other funding mechanisms including the issuance of debt where appropriate.