

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	20695	Agenda Number	18.
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Meeting Date:	12/13/2012	Department:	Parks and Recreation
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Subject

Approve negotiation and execution of a Parkland Improvement Management and Operations Agreement with the Norwood Park Foundation for the rehabilitation of the Norwood House and grounds, and management and operations of the completed facility by Norwood Park Foundation as a community meeting space and revenue-generating event facility.

Amount and Source of Funding

Fiscal Note

There is no unanticipated financial impact. A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	June 14, 2012 – Council approved resolution No. 20120614-022.
For More Information:	Brian Block, 974-6777; April Thedford, 974-6716
Boards and Commission Action:	Reviewed by the Parks and Recreation Board on November 27, 2012 and recommended for approval to City Council unanimously with a 7-0 vote.
MBE / WBE:	
Related Items:	

Additional Backup Information

The Parks and Recreation Department (PAR) hired a design consultant to conduct a conditions assessment and provide a feasibility report for the Norwood Tract in order to establish a vision and long-range plan for the site and determine short and long term costs for implementation.

The feasibility report included a preferred alternative plan for future development including a conceptual plan, potential uses and cost of construction estimates. The estimated overall cost of construction for the site, which includes the house and the parkland redevelopment, is \$7.5 million.

Implementation Approach

- With the Preferred Alternative Plan complete, PAR has pursued two courses of action to attempt to secure funding to complete construction and provide for ongoing maintenance and operations.

1. PAR is pursuing CIP funding for the project. PAR included the redevelopment of the Norwood

tract in the Department's Needs Assessment as part of the 2012 Bond Program Development. However, this item was not included in the bond package. PARD continues to look for funding for the overall project.

2. This action will authorize PARD to simultaneously finalize negotiation and execution of a public/private partnership agreement with the Norwood Park Foundation (NPF), a Texas nonprofit corporation, to bring private resources to complete construction and provide ongoing maintenance and operations for a component of the project, specifically the Norwood House and adjacent grounds within the .31 acres zoned Historical.

Parkland Improvement Operations and Management Agreement

This Parkland Improvement Management and Operations Agreement will allow the NPF to renovate the Norwood House, to improve the immediate grounds within the .31 acres zoned historical and upon completion of the improvements operate and manage the facility and grounds as a community meeting space and a revenue-generating event rental facility for ten years with two five year extension options.

The renovation project will include NPF developing all necessary site infrastructure including but not limited to parking, accessible routes, utilities, lighting, signage, etc. as required for a safe, functional and code compliant public facility. The total cost of the project to renovate the Norwood House and improve the grounds is estimated to exceed \$1 million. The cost of construction will be paid for by the NPF using private resources, including an interest-free loan, donations and grants.

The NPF does not have the resources to complete the renovation of the house and grounds immediately; therefore, NPF will complete the work in phases. The first phase is the stabilization of the Norwood House, estimated to cost \$175,000,. This will be financed and completed by NPF within one year. After completing phase 1, NPF will raise the remaining funds needed for the project. NPF will secure 100% of the funding for each phase prior to beginning each phase of work and will complete all phases of the project within five years of executing the agreement.

Upon completion of the renovation project, NPF will operate and manage the facility as a community center and rental facility for events. The term will be ten years with two five year extension options. NPF will provide the City a management plan for the facility at least six months prior to opening and will provide a programming plan annually. NPF will be responsible for all operations, maintenance and repair costs for the facility. All revenue generated from the facility will be used exclusively for:

1. NPF to pay for operation and maintenance of the facility
2. NPF to pay back a \$250,000 interest-free loan taken to renovate the facility. Loan payments will be made with surplus revenue only after there is a minimum of \$25,000 in the maintenance fund.
3. All additional surplus revenue will be used to establish and grow a Norwood Long-Term Care Fund, consisting of a maintenance fund for NPF's maintenance and repair obligations, and a capital fund that will be set aside for future renovation and improvements at Norwood Park.

Any alterations, improvements or new construction work requires prior written approval from the City and must be consistent with the master plan for Norwood Park.