



## MEMORANDUM

**TO:** Mayor and Council

**FROM:** Sara L. Hensley, CPRP, Director  
Austin Parks and Recreation

**DATE:** March 2, 2015

**SUBJECT:** Decker Lake Golf, LLC

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On March 5, 2015, the Parks and Recreation Department (PAR) will bring forward a proposal for a license agreement between the City of Austin and Decker Lake Golf, LLC (DLG). The license agreement is to develop two world-class golf courses, a short course, and facilities on 735 acres of 1,400 acres of undeveloped land at Walter E. Long Metropolitan Park.

The proposal is the culmination of months of community input and presentations to several boards and commissions. The requested action of Council is to continue to negotiate and ultimately execute an agreement with DLG. We believe the completed project will create a number of positive opportunities for the Austin community at large, including job creation, and economic and financial benefits for the City of Austin. The project will serve as a catalyst for much needed economic growth in East Austin. Similar projects in other communities have led to more economic growth of businesses, healthcare, retail, restaurants, and food stores.

Multiple residents from the area surrounding the project location support this as an economic development project. Their voices are loud and clear regarding the economic segregation that has negatively impacted the area and that they suffer from a lack of economic opportunities. They believe, and we believe, this opportunity is real and that more positive opportunities will follow. PAR has worked side-by-side with the Austin community in developing the provisions contained in the proposed license agreement and will continue to work with community should this project be approved. Included is a synopsis of the history and background of the Walter E. Long Metropolitan Park as well as community input and outreach. Please keep in mind that the golf course development is not the complete answer to the needs of this community; however, it would be a positive step forward.

DLG estimates a 10-year economic impact to the City of Austin of \$334.5 million through visitor spending, payroll from operations, construction spending, and annual operations spending. Based on these amounts, DLG estimates the City will receive \$3.5 million in direct sales tax revenue and \$4.5 million in hotel occupancy tax revenue over the first 10 years. PAR estimates the City will receive \$4.8 million in commission revenue over the same 10 year period.

### **History/Background**

The lake portion of Walter E. Long Metropolitan Park was constructed for the primary purpose of providing water for turbines used in the production of electricity from petroleum-based fuels for Austin Energy, as well as serve as a cooling reservoir for the Decker Power Plant. The Lower Colorado River Authority governs the water.

PARD acquired the Walter E. Long Metropolitan Park property in 1965, with 735 acres of the eastern portion designated for the development of a golf course in a 1968 Proposed Development Plan. The Plan was revisited in 1978, and the golf course once again was a key amenity. The 735 acres is restricted against public access and is barricaded by a chain link fence.

The City was approached in early 2014 about the opportunity to construct a golf course using private funds. PARD sought and received additional input from the Austin community on this potential opportunity and the goals of the surrounding community. PARD then issued a Request for Qualifications Statement (RFQS) to determine interest in developing the 735 acres. After a competitive solicitation process, PARD selected Decker Lake Golf, LLC.

#### **Community Input/Outreach**

- Ongoing communication with Colony Park neighborhood as well as the surrounding areas
  - May 6<sup>th</sup>, 2014 – Community Outreach Meeting on RFQS held at the Turner Roberts Recreation Center
  - May 13, 2014 – Pre-solicitation
  - October 31 – November 17, 2014 - Speak Up Austin
  - November 17, 2014 – Community Outreach Meeting held at the Morris Williams Golf Course
- Presentation to various Boards/Commissions/Council
  - September 23, 2014 – Presentation to Parks and Recreation Board
    - Action: Board requested additional Community Input on the proposal
  - October 16, 2014 – Briefing to City Council
  - February 4, 2015 - African American Resource Advisory Commission
    - Action: None taken at the meeting
  - February 11, 2015 – Water/Wastewater Commission
    - Action: Recommendation was sent to Council regarding potential execution of an agreement DLG (recommendations attached)
  - February 18, 2015 – Golf Advisory Board
    - Action: Voted in favor of project (letter of support attached)
  - February 24, 2015 – Parks and Recreation Board
    - Action: Vote was 3-3-1

Attached is a map indicating the planned location and a project summary that provides a thorough list of community benefits, economic benefits, financial benefits, environmental protections and water sourcing measures. The Parks and Recreation Department partnered with the following departments for assistance in the development of this information: Austin Water Utility, City Attorney's Office, City Purchasing, Economic Development, Office of Sustainability and Watershed Protection. Should you need further information, please contact me at 512-974-6717 or Kevin Gomillion at 512-974-3951.

cc: Marc A. Ott, City Manager  
Bert Lumbreras, Assistant City Manager  
Sue Edwards, Assistant City Manager  
Kevin Gomillion, Division Manager – Golf, Austin Parks and Recreation