

RED BLUFF PARTNERS, LLC'S AGREEMENT REGARDING NEIGHBORHOOD SUPPORT OF RED BLUFF HOTEL PROJECT

This Agreement is entered in as of November 11th, 2015 between and among Red Bluff Partners, LLC ("the Applicant") the Govalle/Johnston Terrace Neighborhood Contact Team ("G/JTCT"), and the River Bluff Neighborhood Association ("River Bluff") regarding the Applicant's proposal of the following site plan notes, variance conditions, restrictive covenant terms, and memorandum of understanding in exchange for support by G/JTCT and River Bluff of the Red Bluff Hotel Project as described in Case No. SPC-2014-0175A ("Site Plan"), or any version of the Site Plan as amended, resubmitted or refiled to reflect this Agreement.

Recitals

WHEREAS, the Applicant seeks the support of G/JTCT and River Bluff for three variances with respect to its property at 4701 Red Bluff Road, Austin, Texas (the "Site"): (i) from Section 25-2-721(B)(1) of the City of Austin Land Development Code (the "Code"), which prohibits parking areas and structures within the primary setback of the Waterfront Overlay (the "Primary Setback Variance"), and (ii) from Sections 25- 2-721(C)(1) and (C)(2) of the Code, which provide certain development restrictions in the secondary setback of the Waterfront Overlay (the "Secondary Setback Variances");

WHEREAS, the parties have reached agreement on conditions on which G/JTCT and River Bluff would support the Primary and Secondary Setback Variances;

WHEREAS, variances to the secondary setback have been previously finally granted and variances to the primary setback have been granted but appealed to the City Council by Daniel Llanes;

WHEREAS, the Applicant has, in an effort to accommodate the concerns expressed by G/JTCT and River Bluff, proposed a revised site plan that largely eliminates the need for a Primary Setback Variance except for certain exterior amenities as expressly contemplated by Section (II)(1) below;

NOW THEREFORE, the Applicant hereby agrees to the following site plan notes, variance conditions, restrictive covenant terms and terms for a memorandum of understanding, conditioned upon final approval of the Primary and Secondary Setback Variances. In consideration of this Agreement, G/JTCT and River Bluff will communicate their support of the Primary and Secondary Setback Variances to the Austin City Council.

I. Site Plan Notes

To the extent that the foregoing proposed variances are granted, the parties agree that site plan notes will be placed on the plans reflecting such variances, along with any of the other provisions of this Agreement that appropriately can be included as site plan notes.

II. Variance Conditions

In order to further tie the requested variances to the development proposed by the Applicant, the Applicant agrees that the requested variances will be subject to the following conditions:

1. Existing impervious cover within the Primary Setback shall be reduced by 50% and shall be limited to (i) swimming pool and related improvements, (ii) decks and patios and related roof or shade structures, and (iii) landscape features. No buildings are allowed in the primary setback.

2. Development on the Site shall comply with the 35' height limit of the Waterfront Overlay.

3. The Applicant shall work with the City and LCRA authorities to remove invasive species on the northern bank of the Colorado River and enhance the ecological condition of the Site.

4. The Applicant shall preserve all protected or heritage trees on the Site, excluding any dead or diseased trees which must be removed to protect people or property.

5. Development on the Site shall meet or exceed all water quality requirements of Chapter 25-8 of the Austin City Code.

6. Red Bluff Partners will collaborate with River Bluff and the City to ensure that the drainage culvert located between the Red Bluff Tract and the adjacent property to the west is repaired to City standards by the City or corresponding governmental entity.

III. Restrictive Covenant

The Applicant owns the property at 4701 Red Bluff Drive (the "River Bluff Tract") and the property at 4713 E. Cesar Chavez (the "Triangle Tract"). The Applicant, in consideration of the agreement of G/JTCT and River Bluff hereunder, agrees to impose upon the Property these covenants and conditions for the benefit of G/JTCT and River Bluff.

1. The Applicant has not sought, and will not seek, a variance from the 35-foot height limit in the secondary setback for the River Bluff Tract.

2. The Applicant agrees not to seek approval for a site plan providing more than 50 hotel rooms on the River Bluff Tract.

3. The Applicant agrees that all parking to serve development on the River Bluff Tract, not including accessible parking as required by Code, shall be provided off-site on the Triangle Tract, subject to City approval.

4. The Applicant agrees to prohibit liquor stores, pawn shops, bars and cocktail lounges except for those within and part of the hotel or restaurants on the River Bluff Tract or Triangle Tract.

5. The Applicant agrees not to provide public access to or commercial concessions on the Lower Colorado River from the River Bluff Tract.

The parties will negotiate the final terms of the restrictive covenant within thirty (30) days following execution of this Agreement. The restrictive covenants will be conditioned on final approval by the City of the Primary and Secondary Setback Variances and the Applicant's site plan.

IV. Memorandum of Understanding

The following items do not touch and concern the land or otherwise are inappropriate for a restrictive covenant. The Applicant agrees to the following terms, in consideration of G/JTCT's and River Bluff agreements hereunder, and conditioned upon final approval of the Primary and Secondary Setback Variances and the Applicant's site plan:

1. The Applicant will work with G/JTCT, River Bluff and the City of Austin to redesign the East Cesar Chavez/Springdale/Red Bluff intersection to address and accommodate the project impact on the adjacent roadways, including but not limited to intersection redesign, sidewalks and signage, or the vacation of Red Bluff Rd from the Development to include the relocation of the intersection of Red Bluff Rd and E. Cesar Chavez from the west side of the Development to the east side, whichever is agreed to be the best option for all parties.

2. The Applicant will, subject to City approval, design the project so that the primary entrance to the off-site parking and service deliveries for the Red Bluff Hotel will be from East Cesar Chavez. This shall not be construed, however, to preclude a secondary ingress/egress from the proposed parking area along Red Bluff Road. Valet parking for the Red Bluff Hotel will be allowed on Red Bluff Road in order to move cars from the hotel entrance to the parking on the Triangle Tract contemplated by Section (III)(3) above.

3. When reasonably possible, the Applicant and its contractors will work with local minority- and women-owned neighborhood businesses and non-profit organizations to employ workers for design, preconstruction and construction phases, and service, hotel and complex staffing. Red Bluff Partners agrees to work with Neighborhood non-profits to identify candidates for employment opportunities.

4. The average building height on the Triangle Tract shall not exceed 45' (forty-five feet).

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the 11th day of November, 2015.

RED BLUFF PARTNERS, LLC

By: [Signature]
Name: John Scott
Title: Manager

G/JTCT

By: [Signature]
Name: Daniel Llanes
Title: Coordinator

RIVER BLUFF NEIGHBORHOOD ASSOCIATION

By: [Signature]
Name: Daniel Llanes
Title: Chair