

Real Property Acquisition for Austin Energy Headquarters

*Electric Utility Commission
March 11, 2019*

AEHQ: Building Upon a New Approach

2

- COA in need of 800,000-1 million square feet of office space
- Reduce reliance on expensive lease space and also centralize functions
- Competitive RFP real-estate process resulted in positive pricing
 - Advantageous during the Exclusive Negotiating Agreement effort
- Ease of Transaction
 - Transfers risk to developer; provides certainty and efficiency for City
 - Adheres to City Policy objectives
- Expedited Schedule
 - AE HQ: Initiation of selection to groundbreaking approximately 15 months
 - Building completion: approximately 20 months
 - Typical COA large project timeline: 6-7 years

Selected Property

Mueller



AE HQ at Mueller

4



Mueller Urban Context and Amenities

Urban Connections

- Primary Entertainment District
- Access to Nearby Parks
- Access to Nearby Necessities
- Primary Arterial Connector to I-35 via Airport Boulevard and 51st Street

Mueller Design Factors that Promote a Healthy Lifestyle

- Walkable Lifestyle**
A variety of amenities and housing nearby encourage walking instead of driving
- Safe and Comfortable Streets**
Streets designed for pedestrian comfort and safety make a walkable community
- Fresh Air**
Abundant parks, trees, and open space improve air quality
- Outdoor Lifestyle**
A variety of public space and shade environments to choose from
- Parks and Museums**
Yoga in the Park, NW Green Way, North Park, Thinkery, SEDL Park
- Nature**
Nearby parks and tree-lined streets make nature an integral experience at Mueller
- Convenience**
A farmers market at North Park and nearby HEB make access to healthy foods convenient
- Community**
Parks, shops, walkable streets, nearby restaurants, and entertainment encourage walking, fitness, and community

AEHQ: Terms

- 275,000 Square Foot Class A Office Building
 - Accommodate 1,100 + employees
 - Expandable to 375,000 square feet
 - Centralizes all functions
 - Employee Locker rooms
 - 20 EV charging spaces with infrastructure for expansion
 - Customer-oriented experience for 1st Floor Layout
 - Community event/meeting space
- **Goal of AEGB 5-Star/LEED Platinum rating**
 - AEGB 4-Star/LEED Gold minimum
- Rooftop solar (400kw, 12-15% of total energy consumption)



AEHQ: Terms

Other Provisions

- MBE / WBE
- Prevailing & Living Wage Program
- Worker Safety Training Program/Better Builder
- Apprentice program
- Well Building

Additional Benefits

- Located within a Town Center with good transit access/safe pedestrian egress
- Childcare and wellness facilities in the area
- Austin Energy chilled water system
- Allows sale/lease of AE properties (TLC & E. Riverside)
- Mueller is a LEED Neighborhood/Pecan Street



Timeline

7

- Council: Approved negotiation and execution of Purchase & Sale Agreement and funding – December 13, 2018. Negotiations still underway.
-

- Design/Site Plan & Permitting by Seller – Fall 2018/Spring 2019
- Groundbreaking – Spring 2019
- Closing on Property/Move-In – Winter 2021

AE HQ at Mueller

Questions?