

**Exclusive Negotiating Agreement with
Aspen Heights Partners for Redevelopment
1215 Red River & 606 East 12th Streets
(former HealthSouth property)**

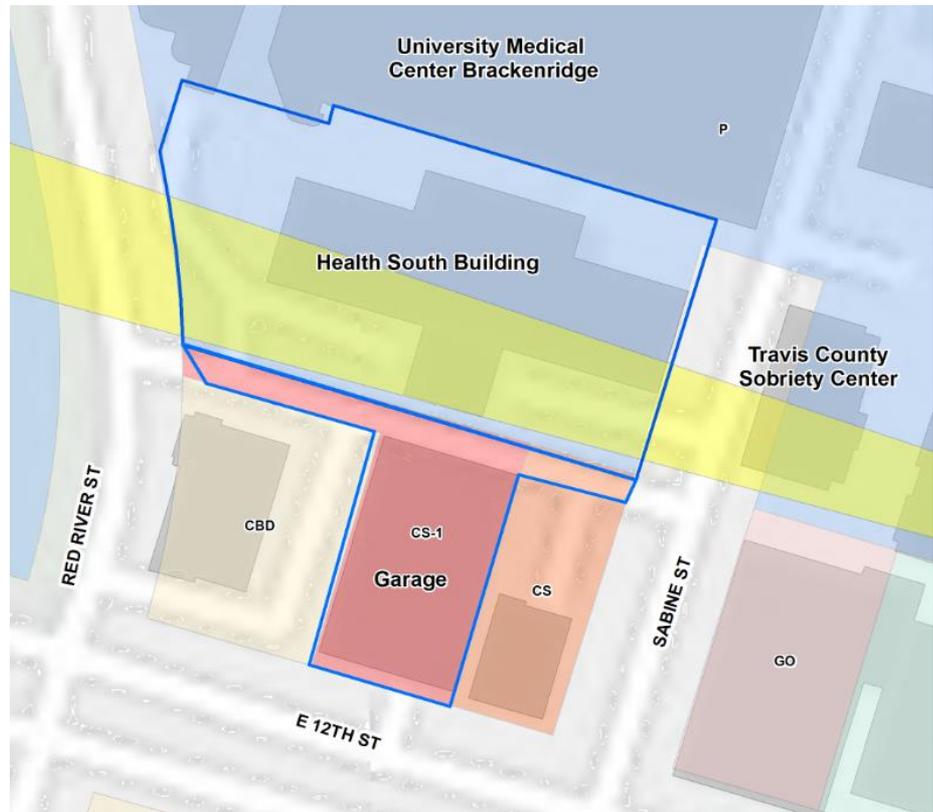
**Council Work Session
June 1, 2021**



**Economic
Development**
CITY OF AUSTIN

AGENDA

- CITY TEAM
- BACKGROUND
- ENA HIGHLIGHTS
- NEXT STEPS



CITY NEGOTIATING TEAM

Housing and Planning Department

Mandy DeMayo, Community Development Administrator

Office of Real Estate Services

Marek Izydorczyk, Real Estate Services Program Manager

Law Department

Ron Pigott, Assistant City Attorney

Economic Development Department

Margaret Shaw, Economic Redevelopment Program Manager

Susana Carbajal, Assistant Director

BACKGROUND

- October 4, 2018 Council passed **Resolution 20181004-042** directing the City Manager to (1) initiate solicitation for the redevelopment of 1215 Red River and 606 East 12th Streets for mixed-income housing with an emphasis on multiple-bedroom housing for households earning at or below 60% of MFI on site with option to provide affordable units within one mile of downtown and (2) ensure certificates of obligations are addressed.
- November 18, 2019 Request for Proposals (RFP) issued; Purchasing Department notified 278 vendors, including affordable housing developers.
- April 23, 2020 RFP closed; Purchasing Department received four proposals.
- November 6, 2020 Purchasing announced proposal rankings with Aspen Heights Partners receiving highest total score.
- January 27, 2021 Council authorized staff to negotiate and execute Exclusive Negotiating Agreement with Aspen Heights Partners including certain community benefits stated in the Council meeting.
- May 17, 2021 City and Aspen Heights Partners execute ENA providing a baseline for the terms governing the negotiation of a master development agreement for the redevelopment of the former HealthSouth property located on 1215 Red River and 606 East 12th Streets.

ASPEN HEIGHTS

“12th & Red
River: Tying
Austin
Together”



Local Team

- Aspen Heights (developer)
- STG Design (architecture)
- Civiltude (engineering)
- Studio Balcones (landscape architecture)

ENA HIGHLIGHTS

- ✓ 25% to 45% mixed-income rental housing focusing on family-oriented multi-bedroom (2 and 3 bedrooms) housing for households earning at or below 60% MFI
- ✓ High-quality, affordable childcare on site
- ✓ Live music and art venue space, prioritizing historically disenfranchised artists
- ✓ Developer may purchase and/or lease property from City
- ✓ Source of income protection by accepting housing choice vouchers
- ✓ Recruit and lease local businesses, including retailers, grocers, and restaurants
- ✓ Public access to the viewing deck
- ✓ Public access to open space and/or green space, which may include an aquatic amenity
- ✓ Learning spaces, computer labs, and other spaces with technological resources
- ✓ Applicability of OSHA requirements, prevailing wage rates, environmental design requirements, and rest breaks
- ✓ Downtown Austin Community Court is not a contemplated use in the development

NEXT STEPS

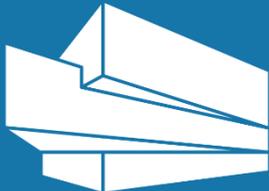
- Commence negotiations with Aspen Heights for the master development agreement (MDA)
- Brief the Downtown Commission, Community Development Commission, and Design Commission on proposed MDA terms
- Seek public feedback
- Present proposed MDA terms to Council prior to execution

Questions?

Thank you.



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Redevelopment

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