



**Outside Counsel
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 19
AGENDA DATE: Thu 05/27/2004
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SUBJECT: Authorize negotiation and execution of an amendment to the legal services agreement with BELL, NUNNALLY & MARTIN, PLLC, Dallas, TX, for legal services in connection with various real estate matters, including but not limited to assignment of the City's subleases with CSC (Computer Sciences Corporation) for development of the Second Street Retail District, for an increase of \$200,000, with a total contract amount not to exceed \$598,000.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$200,000 is available in the Fiscal Year 2003-2004 Amended Operating Budget for the Economic Growth & Redevelopment Services Office.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

**REQUESTING Law
DEPARTMENT:**

**DIRECTOR'S
AUTHORIZATION:** Marty Terry

FOR MORE INFORMATION CONTACT: David Smith, City Attorney / 974-2268; Alison Gallaway, Assistant City Attorney / 974-2671

PRIOR COUNCIL ACTION: On 8/14/2003, the agreement was amended in the amount of \$130,000; 12/14/2000 - Resolution in the amount of \$225,000.

BOARD AND COMMISSION ACTION: N/A

This amendment increases the contract with Bell, Nunnally & Martin, PLLC, \$200,000, with a total contract amount not to exceed \$598,000.00.

On December 14, 2000, Council authorized a contract with Tabb & Associates, Dallas, TX for up to \$225,000 for legal services in connection with various real estate matters, including lease negotiations with AMLI Residential on a residential and retail development on Block 22 and the terms and conditions of a development agreement for the Second Street Retail District. This amount was increased by \$43,000 in September 2002, under the department's administrative authority. In March 2003, the firm of Tabb & Associates merged with Bell, Nunnally & Martin and the existing legal agreement with Tabb & Associates was changed to Bell, Nunnally & Martin. On August 14, 2003, an amendment to the agreement was approved in the amount of \$130,000.

This contract amendment is necessary to complete the assignment of the City's sublease with CSC for development of the Second Street Retail, including the completion of the negotiations and related documents for assignment of the Schneider Store sublease; the negotiation and related documents for the City Hall retail leases; and the necessary documents related to implementation of the Block 22 ground lease with AMLI Residential.