



**Public Hearing
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 55
AGENDA DATE: Thu 12/02/2004
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SUBJECT: Conduct a public hearing on the Master Development Agreement and all related documents, ordinances, and resolutions; and approve a resolution authorizing the City Manager to execute the Master Development Agreement and all related documents with CATELLUS AUSTIN, LLC., concerning the Mueller Property (formerly the Robert Mueller Municipal Airport).

AMOUNT & SOURCE OF FUNDING: N/A

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: Sue Edward, Director / 974-7820; Alison Gallaway, Assistant City Attorney / 974-2671

PRIOR COUNCIL ACTION: November 4, 2004 setting a public hearing

BOARD AND COMMISSION ACTION: N/A

PURCHASING: N/A

MBE / WBE: N/A

Redeveloping the former Robert Mueller Municipal Airport (now known as Mueller) has taken many years. The process began with building consensus of what the project should look like to the neighbors most impacted by the previous use as an airport. The vision developed as a dense, urban, mixed-use neighborhood.

The next step was finding the right developer that would be committed to the City's goals. After a long and involved search process, Catellus Development Corporation emerged as the entity that the City was authorized to negotiate with. During the process of negotiations, Catellus Development Corporation created Catellus Austin, LLC to actualize the development.

After two years of negotiating, we are pleased to announce that a Master Development Agreement ("MDA") has been agreed on. We are presenting the MDA, and all its related documents [including separate action on several ordinances and resolutions] to you for approval and authority for the City Manager, or designee, to execute.

To recap the negotiations, the goals initially set, the obligations accepted by Catellus, and the achievements ultimately captured in the final documents, we provide the following bullet point summaries.

The City and the neighborhoods set the following goals for redeveloping Mueller:

- *Fiscal Responsibility:* A positive revenue stream to the City through increased tax base.
- *Economic Development:* Contributing to Austin's economy and providing new jobs.



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- East Austin Revitalization: A direct stake for East Austin residents in redevelopment.
- Neighborhood Compatibility: Enhancing the quality of life in adjacent communities.
- Diversity and Affordability: A new community of ethnically and economically diverse residents.
- Sustainability: Energy efficiency, reduced auto dependency, watershed protection, smart growth.

We are proud to say that the Master Development Agreement meets all these goals. Further, Catellus has made the following commitments:

- Promote Minority and Women Owned Business participation in construction.
- Meet an Affordable Housing goal of 25% of all residential units.
- Commit to S.M.A.R.T. Housing™ at Mueller.
- Set a goal of 30% of local tenants in the Town Center.
- Restrict the initial occupants of more than 100,000 square feet of retail to those that comply with the City's water quality ordinance on all current construction projects.
- Ensure compliance with Design Guidelines and Community Covenants.
- Fund all project costs needed in excess of land sale revenues and public financing.
- Pay typical development fees [no fee waivers].

We recommend execution of the Master Development Agreement with Catellus Austin, LLC, and all related documents.

RESOLUTION NO. 04

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

WHEREAS, the City of Austin (“City”) and Catellus Austin, LLC (“Catellus”) have entered into a Master Development Agreement (“MDA”) for Catellus to redevelop the former Robert Mueller Municipal Airport site, now known as Mueller; and

WHEREAS, the City, in conjunction with full public participation, set the following goals for the redevelopment of Mueller, which the MDA incorporates:

- **Fiscal Responsibility:** A positive revenue stream to the City through increased tax base.
- **Economic Development:** Contributing to Austin’s economy and providing new jobs.
- **East Austin Revitalization:** A direct stake for East Austin residents in redevelopment.
- **Neighborhood Compatibility:** Enhancing the quality of life in adjacent communities.
- **Diversity and Affordability:** A new community of ethnically and economically diverse residents.
- **Sustainability:** Energy efficiency, reduced auto dependency, watershed protection, smart growth.

WHEREAS, the neighborhoods surrounding Mueller support the dense, urban, mixed-use plan for Mueller that has been incorporated into the MDA;
NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That the City Manager is authorized to execute the Master Development Agreement and all related documents.

ADOPTED: _____, 2004

ATTEST: _____

Shirley A. Brown
City Clerk