



**RCA
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 12
AGENDA DATE: Thu 11/03/2005
PAGE: 1 of 2

SUBJECT: Approve an ordinance reimbursing San Jacinto Hotel Partners, L.P., for utility relocation costs associated with the Hampton Inn and Suites development project located at 200 San Jacinto Street in an amount not to exceed \$137,119.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2005-2006 Capital Budget of the Neighborhood Planning and Zoning Department from Great Streets Parking Meter Revenue.

FISCAL NOTE: A fiscal note is attached.

REQUESTING Neighborhood Planning **DIRECTOR'S**
DEPARTMENT: and Zoning **AUTHORIZATION:** Greg Guernsey

FOR MORE INFORMATION CONTACT: George Adams, 974-2146; Sylvia Arzola, 974-6448

PRIOR COUNCIL ACTION: June 12, 2003 – approval of fee waivers and reimbursements in the amount of \$180,440 under the Smart Growth Matrix Program.

BOARD AND COMMISSION ACTION: N/A

PURCHASING: N/A

MBE / WBE: N/A

In February 1999, the City Council adopted the Smart Growth Matrix to provide incentives for projects that met City policy priorities. The matrix evaluated factors such as the location of development, proximity to transit, consistency with Neighborhood Plans, neighborhood support, urban design characteristics, sustainable building practices and other policy priorities. A development that advanced City policy priorities, as determined by the matrix, was eligible for incentives to offset the higher cost of development in urban areas. The Smart Growth Matrix Program was administered by the Transportation, Planning and Sustainability Department (TPSD). The City no longer uses the matrix program, but instead provides incentives through the Great Streets Development Program and Local Government Code Section 380 Grants.

The Hampton Inn and Suites project is located on the northwest corner of 2nd and San Jacinto Streets, approximately one block west of the Austin Convention Center. The project consists of a 16-story, 209 room, hotel, a 3-story parking garage and approximately 2,100 square feet of street level commercial and retail space in the hotel and parking garage.

The project includes an arcade that shelters the sidewalk along the entire length of the San Jacinto Street frontage of the property and a portion of the 2nd Street frontage. The Developer has constructed a 10' wide sidewalk with pavers along San Jacinto Street and a 12' wide sidewalk with pavers and street trees along 2nd Street.

Under the Smart Growth matrix program, the project originally qualified for \$362,369 in incentives;



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PAGE: 2 of 2**

approximately \$180,440 in fee waivers and \$181,929 for Great Streets improvements. Prior to Council consideration of the incentive package in 2003, it was determined that the developer constructed the Great Streets improvements without following city competitive bidding requirements and that the \$181,929 cost of construction could not be reimbursed. In June 2003, Council approved a reduced incentive package consisting of \$180,440 in fee waivers. The Hampton Inn project was completed in 2003.

Recently San Jacinto Partners has requested reimbursement in the amount of \$137,119 for the cost of burying overhead utilities. The developer has provided new information indicating that burial of the private overhead utilities was not subject to competitive bidding process because the telecommunication companies involved require that their contractors perform the relocation of utilities.

Staff has reviewed the receipts for burial of overhead utilities and as-built plans provided by the developer and confirmed that the improvements were built according to city standards. Staff recommends approval of the reimbursement.

CIP BUDGET FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:

3-Nov-05

WHERE ON AGENDA:

Ordinance

DEPARTMENT:

Neighborhood Planning and Zoning

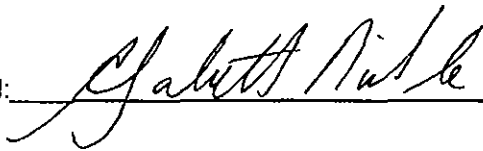
Description: Approve an ordinance reimbursing San Jacinto Hotel Partners, L.P., for utility relocation costs associated with the Hampton Inn and Suites development project located at 200 San Jacinto Street in an amount not to exceed \$137,119.

FINANCIAL INFORMATION:

| | |
|------------------------|--|
| Project Name: | San Jacinto Hotel Partners |
| Project Authorization: | 2005-2006 Amended Capital Budget |
| Funding Source: | Streetscape Improvements - Parking Meter Revenue |
| Fund/Agency/Orgn: | 8400-257-1179 |

| | |
|-----------------------------|-----------------------|
| Total Current Appropriation | \$1,289,731.00 |
| Available Balance | \$1,286,930.00 |
| Amount of this Action | <u>(\$137,119.00)</u> |
| Estimated Available | <u>\$1,149,811.00</u> |

Financial Approval: _____



Date: _____

10-24-05