



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

**AGENDA ITEM NO.: 10  
AGENDA DATE: Thu 03/09/2006  
PAGE: 1 of 2**

**SUBJECT:** Approve an ordinance amending Ordinance No. 990715-31 to provide for additional fee waivers for SILICON LABORATORIES, INC., to Austin, TX for development permits related to the finish-out of 400 W. Cesar Chavez St., in an amount not to exceed \$35,325.

**AMOUNT & SOURCE OF FUNDING:** Foregone Watershed Protection and Development Review revenues, not to exceed \$35,325.

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

**REQUESTING** Economic Growth and **DIRECTOR'S**  
**DEPARTMENT:** Redevelopment Services **AUTHORIZATION:** Sue Edwards

**FOR MORE INFORMATION CONTACT:** Fred Evins, Redevelopment Project Manager / 974-7131;  
Alison Gallaway, Assistant City Attorney / 974-2671

**PRIOR COUNCIL ACTION:** 04/01/99 Authorized City Manager to execute all documents to effectuate the Essential Term Sheet between the City of Austin and Computer Sciences Corporation; 07/15/1999 - Approved the waiver of W/WW meter fees and development fees for the CSC downtown project.

**BOARD AND COMMISSION ACTION:** N/A

**PURCHASING:** N/A

**MBE / WBE:** N/A

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Computer Sciences Corporation (CSC) holds a Ground Lease with the City of Austin for Block 2, otherwise known as 400 West Cesar Chavez Street, Austin, Texas. As part of CSC's development of its offices on Block 2, development fees were waived under Ordinance No. 990715-31. Silicon Laboratories, Inc. (Silicon Labs) is in the process of acquiring the Block 2 Ground Lease held by CSC. This ordinance would amend Ordinance No. 990715-31 to provide additional fee waivers for development permits related to Silicon Labs' proposed tenant improvements. The fee waivers will be contingent upon Silicon Labs acquiring the Block 2 Ground Lease and beginning construction on the tenant improvements within six months of closing.

Silicon Labs is in the due diligence phase of acquiring the Block 2 Ground Lease. Silicon Labs intends to close on the acquisition by the end of March 2006, finish out and/or remodel the office areas, and move approximately 300 employees into the building by Summer/Fall 2006. Silicon Labs' move to the central business district will promote economic development in the downtown area, especially in the 2nd Street Retail District.

Silicon Labs anticipates investing approximately \$5 Million in tenant improvements in 175,000 square feet of office space. This will include finishing out two unimproved floors and remodeling the other three floors. Development fees for the improvements are estimated as follows:

Plan Review Fee	\$ 5,575
Building, Electrical, Mechanical & Plumbing Fees	<u>\$29,750</u>
Total Development Fees	<u>\$35,325</u>

## **ORDINANCE NO.**

**AN ORDINANCE AMENDING ORDINANCE NO. 990715-31 TO PROVIDE FOR ADDITIONAL FEE WAIVERS FOR SILICON LABORATORIES, INC. FOR DEVELOPMENT PERMITS RELATED TO THE ORIGINAL CITY OF AUSTIN BLOCK 2 SITE, IN AN AMOUNT NOT TO EXCEED \$35,325.**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

**PART 1. The city council finds that:**

- (A) Silicon Laboratories, Inc. ("Silicon Labs"), is in the process of acquiring the Block 2 Ground Lease held by Computer Sciences Corporation ("CSC"), otherwise known as 400 West Cesar Chavez Street, Austin, Texas.
- (B) Silicon Labs has represented to the City that upon acquisition of the property, 300 employees will move into 400 West Cesar Chavez by Summer/Fall 2007, substantially increasing the number of tenants in the 2<sup>nd</sup> Street Retail District.
- (C) Silicon Labs has requested waiver of development fees in an amount not to exceed \$35,325 contingent upon acquiring the CSC Block 2 Ground Lease and beginning construction on the tenant improvements within 6 months of closing.
- (D) Waiving certain fees for Silicon Labs to finish-out the two unimproved floors and remodel the other three floors in Block 2 (400 West Cesar Chavez) will promote economic development in the downtown area and especially in the 2<sup>nd</sup> Street Retail District.

**PART 2. For the approximately \$5,000,000 in tenant improvements that Silicon Labs will expend to move approximately 300 employees into 400 West Cesar Chavez, the Council waives the fees shown on Exhibit "A" for Silicon Laboratories, Inc. The waiver is limited to the amounts shown on Exhibit "A".**

**PART 3.** This ordinance takes effect on \_\_\_\_\_, 2006.

**PASSED AND APPROVED**

\_\_\_\_\_, 2006

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\_\_\_\_\_  
Will Wynn  
Mayor

**APPROVED:** \_\_\_\_\_  
David Allan Smith  
City Attorney

**ATTEST:** \_\_\_\_\_  
Shirley A. Gentry  
City Clerk

## **EXHIBIT A**

### **Silicon Laboratories, Inc. Fee Waivers**

Plan Review Fee	\$ 5,575
Building, Electrical, Mechanical & Plumbing Fees	<u>\$29,750</u>
Total Development Fees	\$35,325