August 1, 2006

Nikki Hoelter Watershed Protection and Development Review Department City of Austin

Re: Negotiated Settlement of Appeal of Conditional Use Permit Case No. SPC-06-0104A Patio Bar, 817 W. 5th St.

The Austin City Lofts Homeowner's Association has negotiated with the lessee/owner of the proposed Patio Bar and both parties have agreed to two conditions to apply to the site plan and to the bar's application for a conditional use permit. Based on these conditions being met and this letter being made a part of the site application, the Austin City Lofts Homeowner's Association agrees to withdraw its appeal of the granting of the bar's conditional use permit by the Planning Commission on May 23, 2006.

The two conditions, which are to apply to and become part of the site plan for the Patio Bar and to any future owners or lessees of the site, are as follows:

1. The Planning Commission had previously added at its meeting on May 23, 2006 that the bar close no later than 12:00 midnight on all days of the week. The parties agree to change the closing time to permit closing no later than 2:00 a.m. Friday and Saturday nights (i.e., 2:00 a.m. Saturday morning and 2:00 Sunday morning), with midnight being maintained as the latest closing time for the rest of the days of the week (i.e., Sunday through Thursday).

2: In response to the association's concern about noise, sound emanating from the bar will be limited to 75 decibels ("decibels" being defined by Chapter 9-2 of the noise ordinance), as measured anywhere along the bar's property line, on all days of the year.

The bar owner or operator will obtain a permit as required by Chapter 9-2 of the noise ordinance before using sound equipment (loud speaker, public address system, amplification system, or other sound-producing device) at the bar. The bar will turn off its sound equipment no later than the sound equipment cut-off times provided in noise ordinance Sec. 9-2-11(C):

10:30 p.m. on Sunday through Wednesday 11:00 p.m. on Thursday Midnight on Friday and Saturday No sound equipment may be turned on before 10:00 a.m.

lan Inglis Andy Erwin Jason Subt President, Austin City Lofts Lessee Lessee Homeowners Association