

AGENDA



Thursday, December 16, 2010

**Economic Growth & Redevelopment Services
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 18

Subject: Authorize the negotiation and execution of a parking agreement with AMLI Austin Retail, L.P., AMLI Downtown Austin, L.P., and PPF AMLI 421 West 3rd Street, L.P. (together with the City, the "Parties") related to parking privileges for retail patrons, retail employees, and valet operations connected with 2nd Street retail businesses on Blocks 2, 3, 4, 20 and 22, in parking garages owned by the City and AMLI entities on Blocks 3, 20 and 22.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Fred Evins, Redevelopment Project Manager / 974-7131; Cathie Childs, Assistant City Attorney / 974-6463

Prior Council Action: September 24, 2009- Council authorized negotiation and execution of Second Amendment to the Disposition and Development Agreement (DDA) with AMLI Austin Retail. December 15, 2005- Council authorized negotiation and execution of First Amendment to DDA. February 12, 2004- Council authorized negotiation and execution of a DDA with AMLI Austin Retail, L.P. for development of the Blocks 2 and 4 retail spaces.

This is one of a set of Council actions that, taken together, will create a district-wide parking plan for the 2nd Street Retail District (the area bounded by West Cesar Chavez, San Antonio, West 3rd, and Colorado Streets, which encompasses Blocks 2, 3, 4, 20, 21 and 22 of the Original City of Austin).

In April 2005, the City entered into a Parking Agreement with AMLI Austin Retail, L.P. ("AMLI Parking Agreement") pursuant to a Disposition and Development Agreement between the parties, which assigned the retail subleases in Blocks 2 and 4 (Silicon Labs buildings, excluding the Schneider Building) to AMLI Austin Retail, L.P. The AMLI Parking Agreement set out parking privileges in the City Hall garage (Block 3) for retail patrons, retail employees, and valet operations connected with retail businesses in Blocks 2 and 4. The term of the AMLI Parking Agreement extends to December 31, 2017. However, the Validation Program contained within the AMLI Parking Agreement, which provides free weekday 2-hour parking validations in the City Hall garage, expires on December 31, 2010, following a 5-year start-up period for the retail district.

This Council action will authorize the negotiation and execution of an amended and restated AMLI Parking Agreement with AMLI Austin Retail, L.P., AMLI Downtown Austin, L.P. and PPF AMLI 421 West 3rd Street, L.P., creating a new validation program ("New Validation Program") that runs through the term of the AMLI Parking Agreement, and extends City Hall parking privileges to retail patrons, retail employees and valet operations connected with retail businesses in Blocks 20 and 22, as well as Blocks 2 and 4, without increasing the total number of parking spaces the City is currently obligated to provide for retail employees or valet operations.

In December 2005, the City entered into a validation agreement with AMLI Downtown Austin, L.P. ("AMLI Downtown Validation Agreement"), which set out parking privileges in the City Hall garage for retail patrons connected with retail businesses in Block 20. The term of the AMLI Downtown Validation Agreement, which provided free weekday 2-hour parking validations in the City Hall garage, expires on December 31, 2010. The AMLI Downtown Validation Agreement will be allowed to expire, and the New

Validation Program set out in the amended and restated AMLI Parking Agreement will include Block 20. The New Validation Program will also include City Hall garage parking validations for retail patrons from Block 22.

Under the amended and restated AMLI Parking Agreement, AMLI will mirror the Parking Validation Program at its parking garages on Blocks 20 and 22. The City and AMLI will coordinate operations of and parking rates for the 2nd Street Retail District garages on Blocks 3, 20 and 22 to facilitate clear, consistent public communication regarding 2nd Street Retail District parking opportunities.