



## Recommendation for Action

**File #:** 21-2809, **Agenda Item #:** 11.

9/2/2021

### Posting Language

Authorize negotiation and execution of an interlocal agreement with Travis County Healthcare District d/b/a Central Health for cost participation with the City of Austin for infrastructure design and construction services related to the development of public street and utility infrastructure to service a 2.28-acre property located in the City-owned Colony Park Sustainable Community, in an amount not to exceed \$955,000. Related to items 7, 12, and 17.

### Lead Department

Economic Development.

### Fiscal Note

Funding in the amount of \$610,000 is available in the Fiscal Year 2021-2022 Capital Budget of the Economic Development Department. Funding in the amount of \$955,000 is available per the terms of an Interlocal Cooperation Agreement (ILA) with Central Health. Funding in the amount of \$1,500,000 is available from the U.S. Department of Treasury, American Rescue Plan.

### Prior Council Action:

**February 6, 2020** - Council authorized negotiation and execution of an ILA with Central Health to reimburse the City for real estate due diligence services provided by Economic and Planning Systems to evaluate the suitability of a Health and Wellness Campus within the 208-acre Colony Park Sustainable Community.

**August 22, 2019** - Council authorized negotiation of an ILA with Central Health to reimburse the City to purchase real estate due diligence services provided by Economic and Planning Systems to evaluate the suitability of a Health and Wellness Campus within the 208-acre Colony Park Sustainable Community.

**October 18, 2018** - Council authorized negotiation and execution of an Exclusive Negotiation Agreement with Catellus Development Corporation for terms governing a Master Developer Agreement for the development of the Colony Park Sustainable Community.

**December 11, 2014** - Council approved Ordinance No. 20141211-150 amending City Code Chapter 25-2 by rezoning the 208-acre Colony Park site from single family residence-standard lot (SF-2) district zoning, family residence (SF-3) district zoning, and multi-family residence low density (MF-2) district zoning to planned unit development district zoning.

### For More Information:

Sylnovia Holt-Rabb, Acting Director, Economic Development Department, 512-974-3131; Martin Barrera, Redevelopment Project Manager, (512) 974-3394.

### Additional Backup Information:

The opportunity to develop a Health and Wellness Center was included in the Colony Park Sustainable Community (Colony Park) Request for Qualifications (RFQS) and Request for Proposal (RFP) and represents

---

an opportunity to meet a critical need identified by the community that further aligns the development at the 208-acre Colony Park site with the City's Strategic Outcomes of Economic Opportunity & Affordability, and Health & Environment.

As stipulated in the October 23, 2017 Colony Park RFQS/RFP, the City reserved the right to negotiate with Central Health, in conjunction with or independently from the proposed master developer, regarding a sale of up to five acres of land within the 208-acre Colony Park site for the development of a Health and Wellness Center to serve the immediate and critical needs of the Northeast Austin and Northeast Travis County communities.

As an outcome of the work executed through the 2019 and 2020 ILAs, Central Health seeks to purchase approximately 2.28 acres of land within the Colony Park Sustainable Community to construct the Health and Wellness Center under the terms of a Purchase and Sale Agreement (Item 10 on the September 2, 2021 Council agenda).

Total infrastructure costs related to the design and construction of the public infrastructure is estimated to be \$3,050,000, consisting of the cost to develop the site as a Health and Wellness Center and the cost of infrastructure to facilitate future surrounding development. This item will enable the City to receive cost participation payments from Central Health for the design and construction services related to the development of public street and utility infrastructure to service the 2.28-acre property in an amount not to exceed \$955,000. This amount from Central Health will be combined with the City's portion of funding in the amount of \$1.5 million in American Rescue Plan Act funding and the net proceeds of the sale of the property to Central Health of \$610,000 per the terms of the Purchase and Sale Agreement to fund the total project costs.

**Strategic Outcome(s):**

Economic Opportunity and Affordability, Health and Environment, Culture and Lifelong Learning.