



**Outside Counsel
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 8
AGENDA DATE: Thu 06/09/2005
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SUBJECT: Authorize execution of a legal services agreement with WATSON BISHOP LONDON BROPHY, P.C., Austin, TX relating to negotiation of the terms of the sale of Block 21, generally located at 2nd Street, Lavaca Street, 3rd Street, and Guadalupe, in an amount not to exceed \$250,000.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$200,000 is available in the Fiscal Year 2004-2005 Approved Operating Budget of Economic Growth and Redevelopment Services Office. Funding for contract costs to be incurred in future fiscal years is contingent upon available funding in future budgets.

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

**REQUESTING Law
DEPARTMENT:**

**DIRECTOR'S
AUTHORIZATION: Marty Terry**

FOR MORE INFORMATION CONTACT: David Smith, City Attorney, 974-2268

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

On April 28, 2005, Council approved entering into negotiations with Stratus Properties, Inc., Trammell Crow Company, and Gables Residential Trust, Austin, TX to redevelop Block 21.

The Project includes negotiating, with a City team and its legal consultants, the details of a Purchase Contract with Stratus Properties, Inc., Trammell Crow Company, and Gables Residential Trust, which include the Council's concerns, the Request for Proposal requirements, a date to start construction, a date upon which a certificate of occupancy must be issued, among others. The Purchase Contract will set out the details of those obligations, together with all relevant measures of performance and default, and how to proceed in the event of default.