Additional Information and Responses to Questions Received August 19th –September 30th Regarding Austin [re]Manufacturing Hub Topics Not Addressed in Other Publicly Available Documents

Questions have been paraphrased for clarity.

Letter Of Interest Process

If a company has already expressed interest in the project to the City, is it necessary to submit a Letter of Interest?

Yes, we are asking all interested tenants, including companies who have expressed interest in the project to us in some form previously, to submit a Letter of Interest using the new fillable PDF form on our website. The form can be downloaded from http://austintexas.gov/ecopark by clicking the green button that says "Letter of Interest Form." Submitting this form is the official first step in the leasing process and it will allow us to collect the same information from all interested tenants.

Is the Letter of Interest process all web-based?

Yes, the Letter of Interest form is a fillable PDF that can be downloaded and filled out electronically. Letters must be submitted via email to ecopark@austintexas.gov.

Should two affiliated companies that are considering locating at the Hub submit one or two Letters of Interest?

Each Letter of Interest should represent one firm and one proposed project. Two affiliated companies should submit two Letters of Interest.

What does the City consider market rate?

The City will look to the prevailing rates in the surrounding area at the time of lease negotiations.

Is the City considering leasing the land it owns on Johnny Morris Road?

The Austin [re]Manufacturing Hub is the only land the City has available for lease to recycling and reuse industrial tenants at this time. The City's land on Johnny Morris Road is intended for an Austin Resource Recovery Northeast Service Center and other public administrative facilities.

How competitive is the project and how many letters have been received thus far?

The City is pleased with the level of interest in the project up to this point and is using the Letter of Interest process to formally identify the number of interested tenants. The City will report the number of letters received after the Letter of Interest process has closed on October 19th.

Can interested tenants visit Austin and/or the Austin [re]Manufacturing Hub site?

Yes, interested tenants are welcome to visit Austin or the Austin [re]Manufacturing Hub site. Because the site is currently operating as a closed landfill, it is not open to the public unless accompanied by City staff. Please email natalie.betts@austintexas.gov to schedule a visit.

Will lease rates be affected by the tract the tenant chooses?

The choice of tract will not affect the lease rate per square foot. Ground leases will begin at market rate but ultimate rental rates may reflect the company's willingness to meet community benefit performance measures. The characteristics of a project the City views as bringing value to the community are described on slides 16-24 of the Becoming a Tenant webinar, and the location of the tenant's tract is not considered a value-added characteristic. In addition, tenants may request a tract configuration other than the 10 tracts suggested by the City in the Letter of Interest Form.

Will there be renewal options?

Yes, prospective tenants are encouraged to provide their desired renewal terms on page 2 of the Letter of Interest form.

Is there any financial commitment required at this stage?

No, there is no financial commitment at the Letter of Interest stage, and LOIs are non-binding.

Can you clarify what this question on the Letter of Interest form is asking: "Please describe any non-recycling/reuse functions that would be performed on the site"?

This question is asking whether the company will have functions on site that are not related to a recycling or reuse. For example, if a company has multiple product lines that they would propose to manufacture at the Hub, only some of which use recycled content, that would be the space to let the City know about any non-recycled content product manufacturing functions. If the entire operation would be recycling/reuse-related, respondents can write "None" or "N/A" in that space.

Does the City expect all tracts of land at the Austin [Re]Manufacturing Hub to be allocated?

Yes, we expect to allocate all tracts of land the Hub over the life of the project, but the rate at which the tracts will be allocated (leased for the southern parcel or sold for the northern parcel) will depend on the response to this Letter of Interest and future market conditions.

Tenant Characteristics

Will the City consider out of state tenants?

Yes, the City welcomes Letters of Interest from out-of-state tenants.

Will the City consider start-ups?

Yes, the City welcomes Letters of Interest from start-ups and established firms alike.

Is there priority for tenants that are minority- or women-owned firms?

The City welcomes and encourages Letters of Interest from minority- or women- owned businesses, although it has not specifically identified minority or female ownership as a value-added characteristic. However, interested tenants are encouraged to note community benefits it plans to provide that have not been specifically identified by the City, such as minority or female ownership, in the Letter of Interest form. Space to do so is provided on page 4 under "Additional Community Benefits Provided By Tenant."

It is worth noting that all tenants will need to comply with the City's Minority-Owned and Women-Owned Business Enterprise Procurement Program. The program includes the establishment of M/WBE utilization goals, a requirement that contractors and consultants on the project either meet the goals or demonstrate good faith efforts, and regular compliance reporting. More detailed information about this program is available at http://www.austintexas.gov/smbrdocuments.

What is the anticipated number of tenants?

We anticipate approximately 10 tenants, as we have developed 10 conceptual leasable tracts. However, that number could increase or decrease if tenants desire leased tracts larger or smaller than the suggested configuration.

Are tenants required to have financing secured for their project prior to submitting a Letter of Interest?

No, tenants are not required to have financing secured for their project prior to submitting a Letter of Interest. The City of Austin has financing tools available to assist with financing gaps, such as the Bond Financing Program and the Family Business Loan Program. There is space in the Letter of Interest Form to indicate if the project will be seeking to close any gap in financing through a public program.

Will the City be maintaining exclusivity for particular business types at the Hub?

The City wishes to have a diversity of materials processed at the Austin [re]Manufacturing Hub, in order to maximize the project's impact on the zero waste ecosystem. Therefore, the fact that a project has a business use or processes a material that is unique from other Hub tenants is a value-added characteristic. However, the City does not currently have a restriction in place that would prohibit more than one tenant that processes the same material or that has a similar business use from being located at the Hub.

Is there a minimum facility size?

No, there is no minimum facility size.

Is there a minimum job creation requirement?

No, there is no minimum job creation requirement. However, a high level of job creation is considered a value-added characteristic.

Would it count against a tenant to set up a temporary facility in Austin prior to building a facility at the Austin [Re]Manufacturing Hub?

No, this would not count against a tenant.

What is the likelihood of having more than one processor of the same material type at the Hub?

The City does not currently have a restriction in place that would prohibit more than one tenant that processes the same material from being located at the Hub. However, since the City wishes to have a diversity of materials processed at the Hub and considers the fact that a project has a business use or processes a material that is unique from other Hub tenants is a value-added characteristic, there is not a high likelihood that more than one processor of the same type or business use will locate on site. The City may issue a competitive RFP if more than one eligible and creditworthy processor of the same type or business use is interested in locating at the Hub.

Can an individual entrepreneur that is planning to start a recycling company submit a letter of interest as an individual?

Individual entrepreneurs interested in locating at the Austin [re]Manufacturing Hub are welcome to submit a letter of interest as an individual but should state in the letter the planned company name and function. For subtenant interest, we will share your information with primary tenants interested in subletting space as we would with other subtenant LOI respondents. For primary tenant interest, the entrepreneur will need to have formed the company in order to be given further consideration for locating at the Hub by the time the City enters financial review and lease negotiations.

Facility Characteristics

Could a firm install a temporary facility that does not need utility connections on the Hub property, and if so, how soon could such a facility be installed?

Any facility must receive a Certificate of Occupancy certifying compliance with building, electrical, plumbing, mechanical, energy and zoning codes from the City prior to occupation. More information on obtaining a Certificate of Occupancy is available from the Development Services Department at http://www.austintexas.gov/content/certificate-occupancy.

As the City intends to enter into long-term leases and desires projects that will create high level of tax and utility revenue, the City prefers permanent structures. The project schedule—City infrastructure construction beginning summer 2016 and phase I of the project being ready for tenants to begin construction by mid-early 2017—applies to all prospective tenants and their facilities.

Are there development standards such as a minimum square footage for buildings, or would the City consider a tenant that needs land only?

The City will consider tenants that need land only, but does consider the creation of a high level of tax and utility revenue as a value-added characteristic.

Will my facility comply with Federal Aviation Administration restrictions?

Because the site is located near Austin-Bergstrom International Airport, there are certain general restrictions to ensure the safety of incoming and departing aircraft, including: no wildlife or bird attractants, building heights are limited to 600 ft MSL, no standing water or reflective surfaces, and no visible emissions. (This list is not exhaustive. Full details on these restrictions are available in the City of Austin's Land Development Code, Chapter 25-13 Airport Hazard and Compatible Land Use Regulations.)

If you are uncertain whether your specific business use or process will be compatible with the airport, please email natalie.betts@austintexas.gov with detailed information on the proposed use or process so that airport officials may be consulted. Determinations of compatibility are made on a case-by-case basis.

How long has the Austin [re]Manufacturing Hub redevelopment been in the works?

The Austin Resource Recovery Master Plan, unanimously adopted in December 2011 by the Austin City Council, called for the redevelopment of the FM 812 landfill property into an eco-industrial park. The first Recycling Economic Development Liaison was hired in January 2013 to begin developing the project. This is the first public offering of lease land for this project.

Will tenants be able to work within an existing site development plan when building their facilities?

Yes, the Austin [re]Manufacturing Hub's design engineer will be submitting a site development plan to the Development Services Department with potential building locations in order to construct the infrastructure on site. If the proposed building locations match with tenants needs, tenants will be able to work within the approved plan. If the tenant desires a different building configuration, the tenant will be able to submit a request for a site development correction, unless the grading is proposed to change substantially from the approved site development plan, or the tenant desires additional impervious cover or building square footage. A site development correction has a substantially shorter approval timeline than a full site development plan or a site development plan amendment.

Will tenants have the ability to choose their own general contractor for construction of their facilities?

Yes, tenants may choose their own general contractors. However, the City will require tenants to comply with the City's Minority-Owned and Women-Owned Business Enterprise Procurement Program. The program includes the establishment of M/WBE utilization goals, a requirement that contractors and consultants on the project either meet the goals or demonstrate good faith efforts, and regular compliance reporting. More detailed information about this program is available at http://www.austintexas.gov/smbrdocuments. Local general contractors within the Austin area are familiar with the City of Austin requirements.

What drainage infrastructure will tenants need to provide?

Tenants in Area A will be able to utilize City-provided drainage infrastructure. Tenants in Areas B and C will need to provide storm water detention and water quality infrastructure that connects to City-provided conveyance channels. Please see the interactive map available for download at http://austintexas.gov/ecopark, or slide 31 in the webinar to see the geographic layout of each Area. The size of the drainage infrastructure needed will depend on the level of impervious cover constructed by the tenant. The City of Austin also has a Regional Stormwater Management Program, in which a fee is paid in lieu of providing on-site detention. More information about the program is available here: https://www.austintexas.gov/department/regional-stormwater-management-program.

Is it possible for tenants to begin construction prior to the City's scheduled completion of the infrastructure construction in early-mid 2017?

If a company is interested in locating at the Austin [re]Manufacturing Hub and desires a construction start date earlier than the scheduled completion of the infrastructure construction in early-mid 2017, companies may indicate this preference in their letter of interest form. While the City does not anticipate that accommodations can be made for earlier timetables, we can explore options for overlapping construction with the Development Services Department and the Public Works Department with eligible and creditworthy LOI respondents during lease negotiations.

Hub Amenities

Will methane be available?

The City has commissioned a preliminary study of the methane gas being produced by the closed landfill cells adjacent to the Austin [re]Manufacturing Hub to explore the possibility of installing a landfill gas-to-energy plant. Unfortunately, as the landfill stopped accepting putrescible municipal solid waste over 20 years ago, the volume of methane that could be captured from the landfill is too small to make such a plant economically viable.

Will there be a food court at this project?

There are no plans for a food court at the Austin [re]Manufacturing Hub at this time. The primary purpose of any operation at the Austin [re]Manufacturing Hub must contribute to the City of Austin's Zero Waste goal. A more detailed description of the types of operations that includes is available on Slide 16 of the Becoming a Tenant webinar: https://www4.austintexas.gov/p70qjolhhrr/. Slides 19-21 detail what the City considers to be top, medium, and low priority business uses for the Hub.

What are the telecommunications services available at the property?

Time Warner Cable (TWC) has aerial & underground facilities in the area, including aerial facilities attached to electric poles along the south side of FM 812 and along the east side of FM 973. TWC and other telecommunication providers will contact proposed tenants and arrange to have their facilities in place prior to building finish-out.

Will the electric service to the property be upgraded?

The Letter of Interest process and subsequent lease negotiations will help the City determine the level of electric service needed at the site. The City will work with Bluebonnet Electric Service to communicate these needs and ensure sufficient service for tenants.

Who are the owners of the pipelines with easements on the property?

The owners of the pipelines are Kinder Morgan (24” high pressure natural gas), Magellan (18” refined oil) and Conoco Phillips (10.75” liquid natural gas).