



Travis County Commissioners Court Agenda Request

Meeting Date: April 17, 2014

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Andrea Shields, Manager, Development Authority, 854-9196

Department Head: Roger A. El Khoury, M.S., P.E., Director, FMD, 854-4579

County Executive: Leroy Nellis, Acting County Executive, PBO, 854-9066

AGENDA LANGUAGE:

Receive and discuss a presentation on North Campus development opportunities including:

- A. History of the North Campus site since 2003
- B. The approved North Campus Master Plan
- C. Proposed changes to the approved North Campus Master Plan related to Travis County Development Authority funding opportunities.

BACKGROUND/SUMMARY OF REQUEST:

Travis County purchased 4 parcels of land at 5501, 5555, 5335 and 5325 Airport Blvd., a total of 13.26 acres, between 2003 and 2010. The two buildings at 5325 and 5335 have been demolished to the foundations and the sites are currently being used for parking.

On May 20, 2008 the Commissioners Court approved an agreement with the surrounding neighborhoods titled "Travis County Resolution for Civic Community Collaboration with the Ridgetop and Northfield Neighborhood Associations." This agreement has guided a series of meetings with the neighbors by Commissioner Davis and County staff in order to collaboratively go forward with development of the North Campus.

The North Campus Master Plan was presented by the Facilities Management Department to the Commissioners Court during a work session on March 25, 2010. It was adopted by the Court on April 6, 2010 and represents the completion of the first step in an ongoing process to develop the North Campus.

Since 2010, the Commissioners Court purchased the 700 Lavaca Administration Building, which significantly reduced county space needs at North Campus. However, current departments at North Campus have grown enough to require some additional office space. While new construction is required to meet growing needs, the site can support significantly more development than is needed by the County.

As part of the Airport Boulevard Transit Corridor, the vacant site at North Campus has significant development capacity and potential. Underutilization of a prime development site such as this one would be a loss of potential real property value to the County and a missed opportunity for the neighborhood. Staff therefore recommends the Board and Commissioners Court consider a mixed-use project at the site with adequate office space and parking to meet county needs, as well as mixed-income housing and possible ground floor retail. The neighborhood associations have indicated initial interest in a mixed-use development at this site.

The Travis County Development Authority could provide alternative financing for the redevelopment of the site. In conjunction with a private developer, the Development Authority could issue Private Activity Bonds for construction of the project. The rents and income generated by the project would secure the debt. This project could potentially be constructed and provide much needed office space at a substantially reduced cost to the County and taxpayers. Since a traditionally financed project exclusively for county offices and parking is not currently included in the anticipated capital commitments in the county debt model, the Development Authority presents a unique opportunity to move forward.

STAFF RECOMMENDATIONS:

Staff recommends the Court consider the information presented as an alternative for funding and developing Phase 1 of the North Campus Master Plan.

ISSUES AND OPPORTUNITIES: None

FISCAL IMPACT AND SOURCE OF FUNDING: None

ATTACHMENTS/EXHIBITS:

1. History of North Campus since 2003
2. March 25, 2010 worksession selected slides
3. Proposed development options
4. Examples of mixed-use developments

REQUIRED AUTHORIZATIONS: None

FACILITIES MANAGEMENT DEPARTMENT

Roger A. El Khoury, M.S., P.E., Director



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NORTH CAMPUS HISTORY

- The need for expansion space became critical in the downtown Central Campus during the 1990's. The Tax Office particularly was taxed by the numbers of visitors and vehicles that needed to be accommodated around the USB Building. The decision was made by Commissioners Court to find a location for the Tax Office, and other departments if possible, outside of downtown.
- 2001-2002: County investigated possibility of coordinating with City of Austin for new campus at the Mueller Development site. It was not successful.
- 2003: County purchased Builders Square building at 5501 Airport Blvd. and commenced design and construction.
- 2003-2013: Commissioner Davis and County staff have held a series of meetings with the neighborhood groups and individuals to receive input, exchange ideas and coordinate the future development with neighborhood goals.
- 2003-2004: Tax Office and County Clerk moved into renovated 5501
- 2006: Former Haverty's Furniture store at 5555 Airport Blvd. purchased and remodeling completed in 2007. Sheriff's Office moved in summer 2007.
- 2008: Purchased Chair King store at 5335 Airport Blvd. Building was used intermittently for County Clerk elections and other County functions until demolished in 2011. Currently used for parking.
- 2008: Resolution adopted by Commissioners Court: "Travis County Resolution for Civic Community Collaboration with the Ridgetop and Northfield Neighborhood Associations."
- 2010: North Campus Master Plan adopted by Commissioners Court in April 2010.

NORTH CAMPUS HISTORY (continued)

- 2010: Fast Stop store at 5325 purchased in 2010 and demolished in 2013 along with the underground gasoline storage tank. Currently used for parking.
- 2014: The City of Austin for several years has been developing the Airport Boulevard Plan. The plan is a combination of two initiatives, the Mobility Corridor Study and the Upper Airport Boulevard Planning Initiative. Planning is underway to guide development of the upper corridor from the Mueller Community to Lamar Blvd. The Travis County North Campus is located within this area at the corner of 53 ½ Street and Airport Boulevard.
- The 13 acre North Campus houses the Tax Office, County Clerk, Sheriffs Office, County Fire Marshal, District Clerk iJury and Passport Office, Emergency Management Services, Wellness Clinic, ITS Training Center, HRMD Training Center, County Print Shop and Imaging, County Historical Archives and Counseling & Education Services. The North Campus provides essential services to all the citizens of Travis County. Nearly 2,000 visitors per day travel to the North Campus and are served by almost 400 County staff.

VS 05-20-2008 Item 4

Travis County Commissioners Court



FILED FOR RECORD
2008 MAY 27 PM 12:22
DANA JEREBALVA
COUNTY CLERK
TRAVIS COUNTY, TEXAS

Resolution

Travis County Resolution for Civic Community Collaboration with the Ridgetop and Northfield Neighborhood Associations

WHEREAS, Travis County has decided to relocate some of its core operations to Airport Blvd, between 53 1/2 and Koenig;

WHEREAS, locating governmental offices to these locations will bring an untold number of county residents and other persons to county offices and impact the Ridgetop and Northfield neighborhood planning area;

WHEREAS, the Ridgetop Neighborhood areas have historically been home for numerous non-profit organizations that serve a variety of clients who greatly need the provided services. For example, non-profits such Legal Aid, Child, Inc., Out Youth, Lifeworks Transition Center, the David Powell HIV Clinic, Manos de Cristo and First Workers Day Labor Center. These populations significantly impact the quality of life of area residents; and

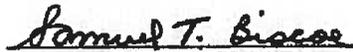
WHEREAS, Travis County desires to be a good neighbor to nearby residents and pledges to work to ensure that resulting impacts are compatible and positive and do not harm or diminish the quality of life of area residents.

NOW, THEREFORE, BE IT resolved that the Commissioners Court commits to do the following:

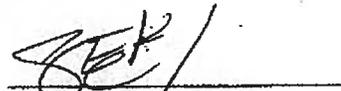
1. collaborate with residents and the associations in any planning, designing and development of county-owned or leased property on Airport Blvd.;
2. coordinate with MHMR and other non-profit organizations to mitigate any negative impact that the concentration of social service agencies in this area may have on the quality of life of the neighborhood;

3. support and encourage a mixed use development that will include retail space, walking trails and community meeting rooms that will enhance the livability of the community;
4. consider any development with goals of environmental sustainability and/or "Green Building." Work to partner with Austin Energy on the use of Solar panels, use of rain water, energy conservation maximization, and other similar initiatives; and
5. work with residents to further the Groundwork for Collaboration Agreement between City of Austin and the Ridgtop and Northfield Associations.

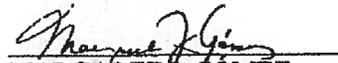
SIGNED AND ENTERED THIS 30th DAY OF MAY, 2008


SAMUEL T. BISCOE
Travis County Judge

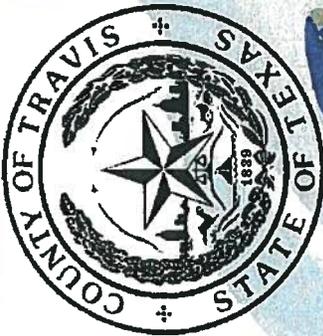

RON DAVIS
Commissioner, Pct. 1


SARAH ECKHARDT
Commissioner, Pct. 2


GERALD DAUGHERTY
Commissioner, Pct. 3


MARGARET J. GOMEZ
Commissioner, Pct. 4

Travis County North Campus Master Plan Report March 25, 2010



5501, 5555, 5335 & 5325 AIRPORT BLVD.

The North Campus

5501 Airport Blvd (acquired 2003)

Tax Office, County Clerk, District Clerk, RMCR, CES, ES, ITS, HRMD, Wellness Clinic, 6,000 SF Expansion Space

124,620 SF

376 Parking Spaces

7.18 acres

5555 Airport Blvd - Keith George Ruiz Building (acquired 2006)

Sheriff, Fire Marshal, ITS, 2,060 Expansion Space

58,000 SF

100 Parking Spaces

2.99 acres

5335 Airport Blvd (acquired 2008)

Vacant - Former Chair King Furniture Store

23,500 SF Building

161 Parking Spaces

2.73 acres

5325 Airport Blvd (pending acquisition 2010)

Currently in use as Chevron Gas Station/Fast Stop Convenience Store

Purchase agreement for Seller to continue to operate for 2 years

.36 acre

Travis County Facilities Management Department



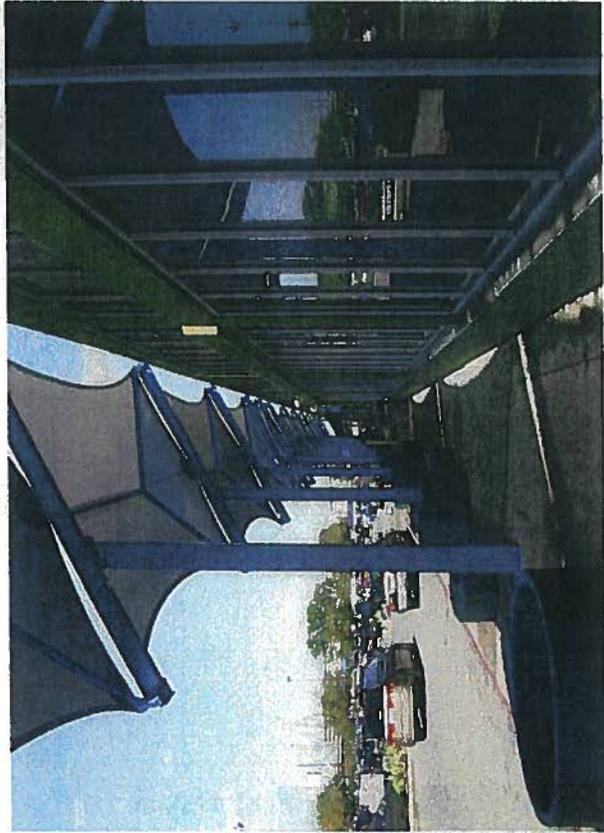
TRAVIS COUNTY NORTH CAMPUS
MASTER PLAN
NEIGHBORHOOD MAP



Travis County Facilities Management Department

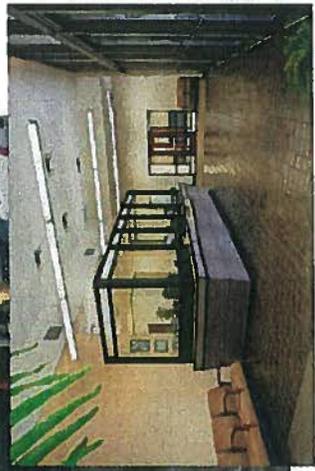
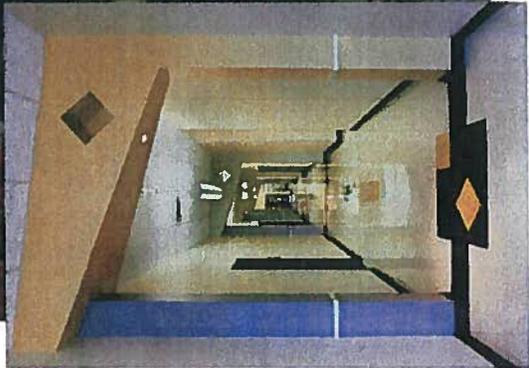


5501 Airport Blvd



Travis County Facilities Management Department

Keith George Ruiz Building 5555 Airport Blvd

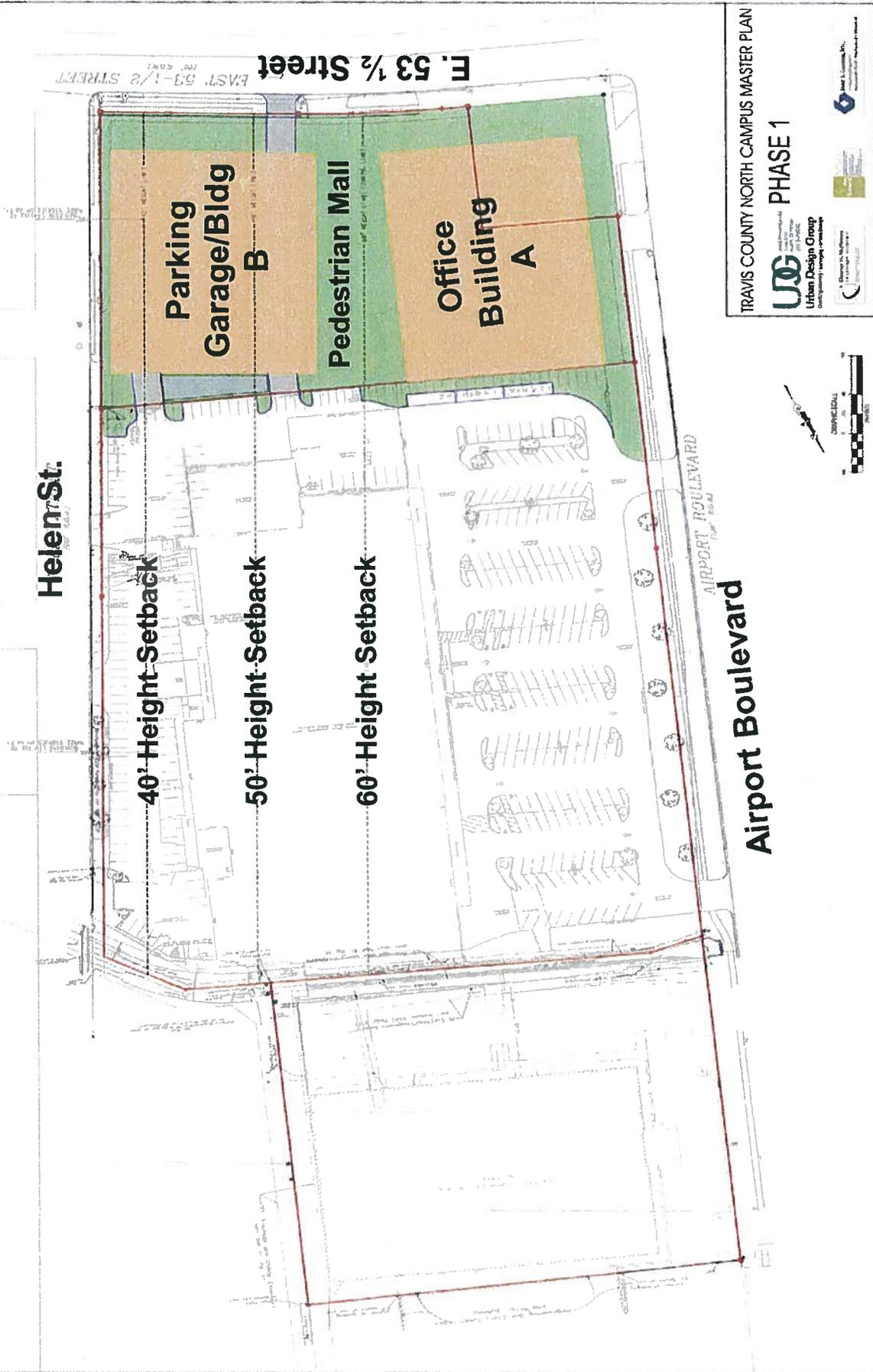


Travis County Facilities Management Department

Phasing Concepts

- **Phase 1**
 - Redevelopment of 5335/5325 Airport Blvd
- **Phase 2**
 - Redevelopment of 5501 Airport Blvd
- **Phase 3**
 - Redevelopment of 5555 Airport Blvd

North Campus Master Plan Phase 1 – Redevelopment of 5335/5325



Travis County Facilities Management Department



Travis County Facilities Management Department

EAST 53 1/2 STREET



HELEN STREET



TRAVIS COUNTY NORTH CAMPUS MASTER PLAN

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www.urbandesigngroup.com

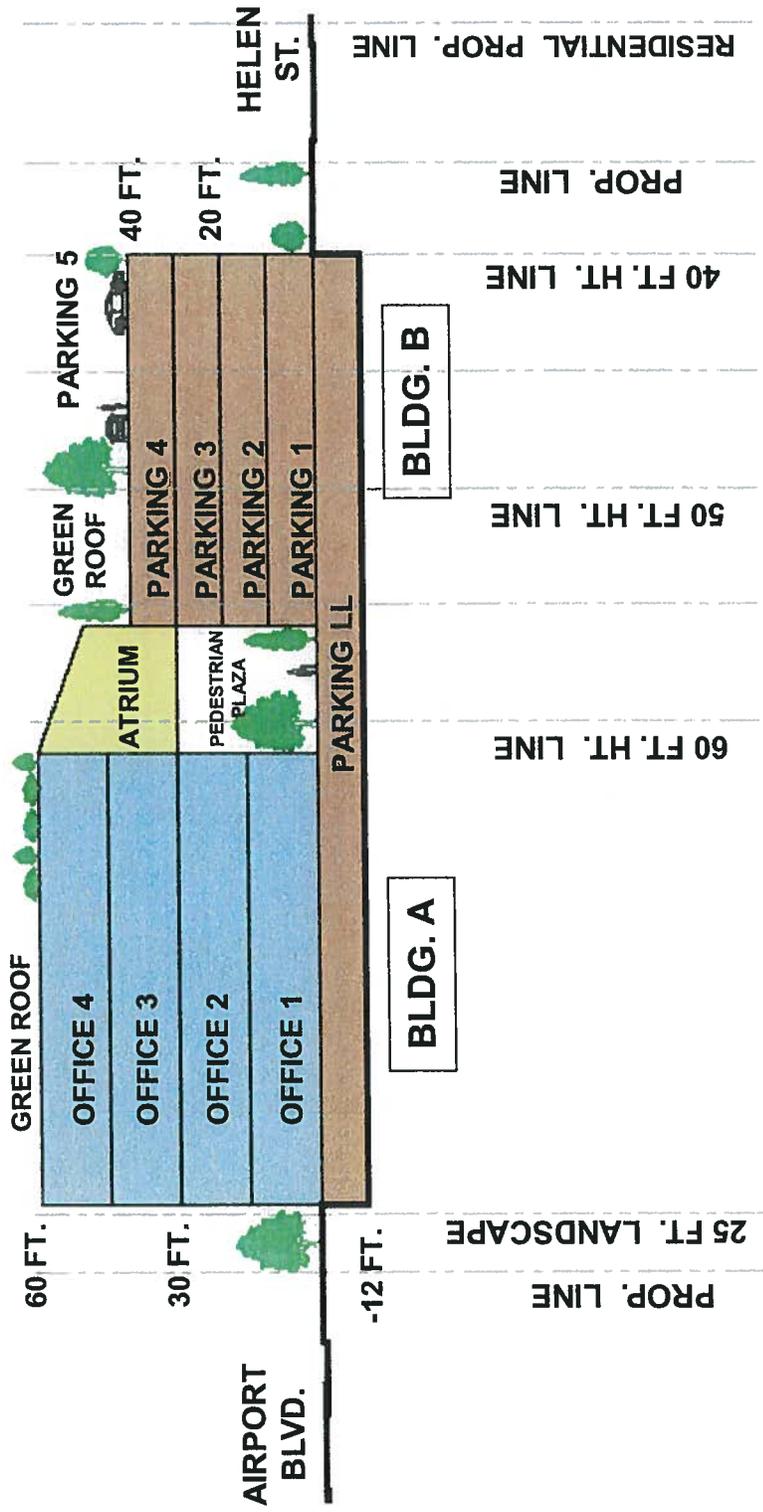
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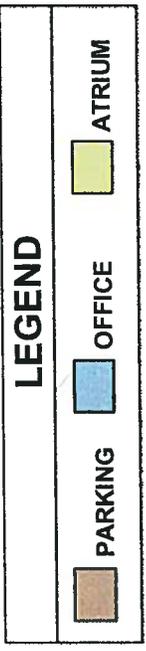
CONCEPTUAL SITE PLAN

Travis County Facilities Management Department

rendering by Eleanor McKinney, ASLA, GRP



PHASE 1
CONCEPT BUILDING SECTION
 5335/5325 AIRPORT BLVD.



Travis County Facilities Management Department

GOALS

1. **Build Expansion Space For County Departments**
2. **Facilitate Effective Delivery Of County Services**
3. **Ensure Vehicular And Pedestrian Safety**
4. **Provide For A Safe And Secure Campus**
5. **Create Amenities For Staff, Visitors And Neighbors**
6. **Achieve LEED And Sustainability Goals**

NEXT STEPS

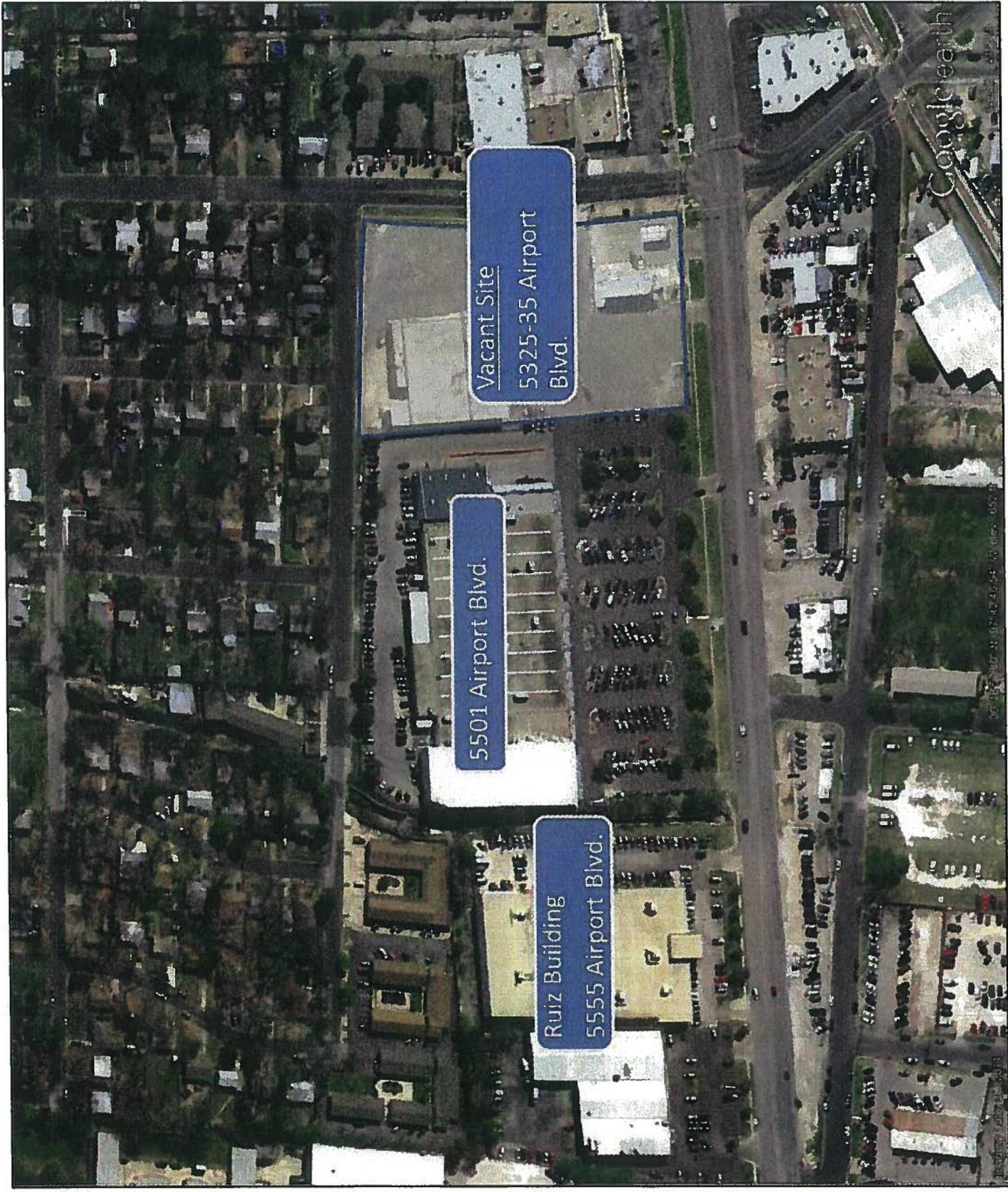
- **Commissioners Court Approval of North Campus Master Plan as presented today**
- **Move Forward on Programming and Planning Guides by PBO, FMD and Existing North Campus User Groups**
- **Continue Meetings and Communication with Neighborhood Groups and Citizens per Neighborhood Resolution of May 20, 2008**
- **Monitor City of Austin Initiatives for Airport Blvd. Corridor Development**
- **Update North Campus Master Plan as Needed**

Travis County Facilities Management Department



TRAVIS COUNTY NORTH CAMPUS

Proposed Development Options



Vacant Site
5325-35 Airport Blvd.

5501 Airport Blvd.

Ruiz Building
5555 Airport Blvd.

Google Earth



North Campus Growth

- Travis County departments have been growing and some units are reaching capacity for staff and support space.
- New construction will be required to meet future space needs
- Space for expansion is currently available on county land adjacent to existing building



Should other departments move to North Campus?

- One prime potential tenant is the Health and Human Services and Veterans Services (HHSVS) currently at Palm Square
- North Campus and Highland Mall Boulevard sites are well situated to serve HHSVS clients currently served at Palm Square

New Building Development: Potential Tenant Space Needs

Department	2014	2015	2025
Tax Office	31,575	31,860	37,613
HHSVS*	17,160	17,310	20,450
Total	48,735	49,170	58,063

- To meet 2025 projections, a new building would need 80,000 gross square feet if accommodating both tenants



Airport Boulevard Vision and Plan

- The City of Austin has been working in the corridor to develop a new land development code to transform the corridor to meet community's vision
- New code will promote pedestrian-friendly, mixed-use development and will implement the Vision
- Optimal opportunity for Travis County to develop something catalytic that will serve both County and neighborhood interests



Considering Mixed-Use Opportunities

- Though we would require no more than 80,000 square feet, the vacant site can accommodate over 500,000 square feet
- The site provides a unique opportunity to explore mixed-use development options



Possible row homes in back

Parking: structured on site

New Offices and Mixed income housing above

Community Space for Neighborhood on campus



Project financing

- The Travis County Development Authority can issue private activity bonds for financing projects that promote the common good and general welfare, including commerce and economic development
- The mission of the Development Authority, as defined by the state, is aligned with the goal of revitalizing the Airport Boulevard Corridor
- The Development Authority can be a source of alternative financing for the re-development of the North Campus site



How would it work?

- The Board of Directors (Commissioners Court) would control the structure of the deal, including the affordability levels of the housing and in effect overall cash flow to the project
- The Development Authority would issue bonds for a developer, selected by competitive process



How would it work?

- The County would allow the developer to lease the land but own the improvements for term of bonds
- The County would require terms that accommodate the office space needed through 2025 at a reduced cost.
- The current property tax exemption on the land would be attractive to developers and a key component in the financing



How would it work?

- By crafting the development RFP to allow the developer to propose the layering of the finances (including bonds from the Development Authority), the developer will have the broadest leeway to structure the financing in the most economical manner
- The overall financial structure would be vetted by staff, consultants, and the Board of Directors (Commissioners Court) for approval



Neighborhood Support for Proposal

- In December 2012, Travis County Staff attended monthly neighborhood association meetings in Ridgetop and Northridge, the two associations around the site
- Citizens indicated support for mixed-use development with an affordable housing component
- Neighborhood would like to continue to participate in the shaping of this project, in accordance with our resolution for civic community collaboration

Project management

Facilities Management:

- RFP development and selection
- Project Manager

Development Authority:

- RFP development and selection
- Makes offering and issues bonds
- Monitors compliance with housing component

Planning & Budget (Strategic Planning):

- RFP development and selection

Next Steps

Authorization to Hire Consultant to assist in drafting and vetting a Request for Proposals (RFP)

Hire pre-development consultant to assist in drafting and reviewing the requirements for a developer to design and construct a mixed-use structure through a ground lease for the site. Consultant will assist in vetting applications submitted through the RFP process as well.

Deal Structure finalized

The Board of Directors, Commissioners Court, consultant, and staff work to create deal structure, including final office space requirements, housing provision and affordability levels, and, in effect, overall cash flow to the project.

Request for Proposals (RFP) drafted and issued to select preferred developers. This may be a two step process.

RFP will include a conceptual plan, real estate pro forma, feasibility analysis, and general business plan.

Preferred firm selected from the RFP Process to execute project

Comparable Projects List

Multnomah County, Oregon



Multnomah County constructed the Hollywood Library and Bookmark Apartments in 2002. This 13,000 square foot library included a coffee shop and 47 market rate and affordable apartments in a mixed-use structure. This was the first example of a mixed-use project with private and public primary tenants and has become a model for joint venture housing and public use buildings. Since completion, Multnomah County has developed additional library branches with housing components, including the

Sellwood-Moreland Library with 16 units and commercial space, that same year.

Tucson, Arizona

In December 2013, One East Broadway was completed, a seven-story mixed-use project with housing, retail, and approximately 20,000 square feet of public offices leased to the Pima Association for Governments and the Regional Transportation Authority. The building was constructed by a private developer and ownership of the building transferred to the City of Tucson at completion with leases created to preserve tax-exempt status for an 8 year period.



Comparable Projects List

Madison, Wisconsin



Set for groundbreaking this year, the West Johnson Street Complex in Madison will be a new 14-story structure with 255 apartments and 30,000 square feet of offices for the City of Madison Fire Department, as well as first floor retail.

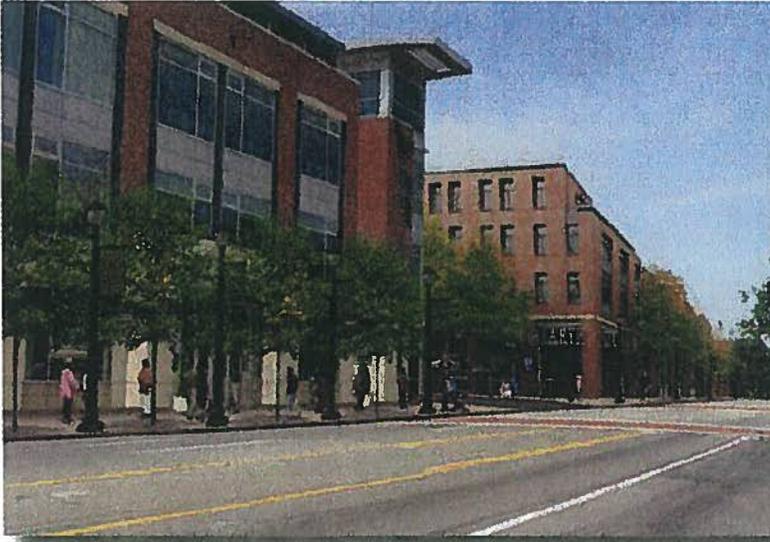
Chicago, Illinois

The Harper Court Project in Chicago was developed in partnership with the City of Chicago and the University of Chicago. The project features 150,000 square feet of university office space, 425 residential units, and ground floor retail as well as structured parking. The project was completed last year.



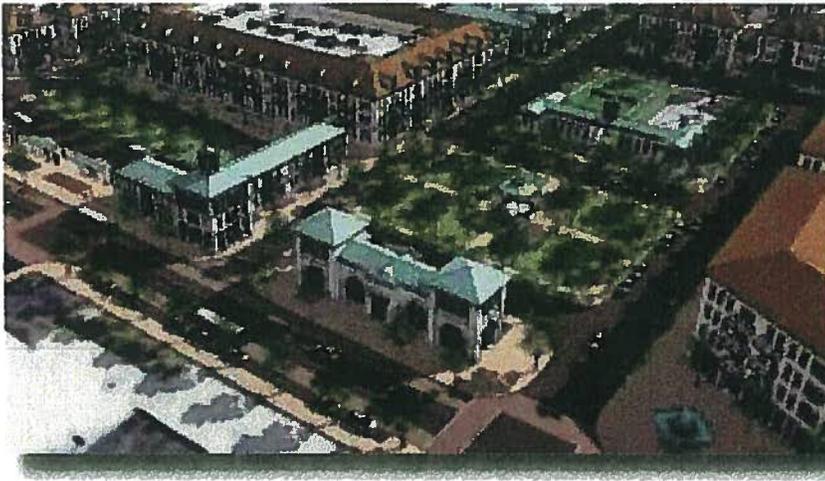
Comparable Projects List

Dallas, Texas



The City of Dallas Office of Economic Development and Dallas Public Library issued a Request for Proposals (RFP) to develop a mixed-use project at Vickery Meadow, a redevelopment district, with private partners. The City recently selected a developer to design a ground-floor library, retail, housing units, and associated amenities. Situated on 4 acres, the team envisions a 5-story structure featuring 18,000 square feet of library space, 15,000 square feet retail, and 250 housing units plus parking.

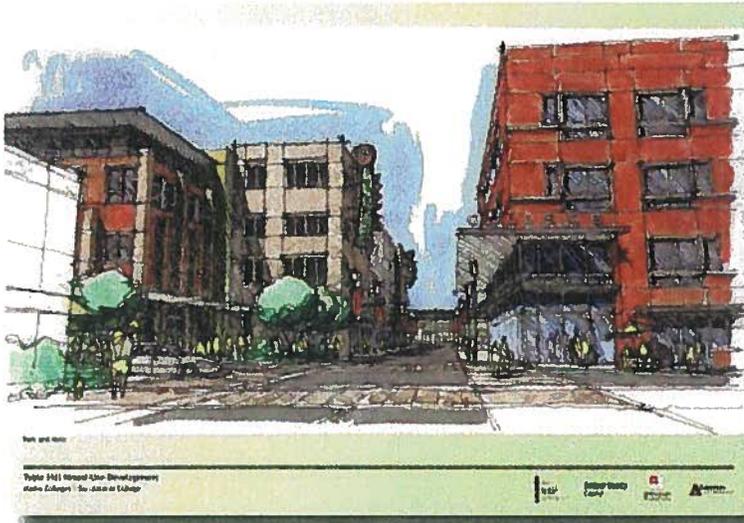
El Paso, Texas



The City of El Paso issued a Request for Qualifications (RFQ) and Request for Proposals (RFP) to develop 31-acres in northeastern El Paso, the site of a former mall, into a mixed-use community. Three developers submitted proposals for the 30-acre site, 23 acres of which will be a joint venture project. The proposed buildout as of March 2014 would consist of 13,000 square feet retail, 500 to 800 housing units, 480 parking spaces, and a new street grid.

Comparable Projects List

San Antonio, Texas



Alamo Colleges in San Antonio is currently soliciting proposals for private partners to build an administrative complex on land they own. The objective is to get administrative office space at low or reduced cost by allowing residential, commercial, or retail uses on the site as well. Their Request for Proposals (RFP) is currently open. Administration at Alamo Colleges anticipate significant interest given the flexibility proposed.