



NORWOOD PARK PARKLAND IMPROVEMENT OPERATIONS AND MANAGEMENT AGREEMENT - FACT SHEET

Background

The Parks and Recreation Department (PAR) hired a design consultant to conduct a conditions assessment and provide a feasibility report for the Norwood Tract in order to establish a vision and long-range plan for the site and determine short and long term costs for implementation.

The feasibility report included a preferred alternative plan for future development including a conceptual plan, potential uses and cost of construction estimates. The estimated overall cost of construction for the site, which includes the house and the parkland redevelopment, is \$7.5 million.

Implementation Approach

- With the Preferred Alternative Plan complete, PAR has pursued two courses of action to attempt to secure funding to complete construction and provide for ongoing maintenance and operations.
 - PAR is pursuing CIP funding for the project. PAR included the redevelopment of the Norwood tract in the Department's Needs Assessment as part of the 2012 Bond Program Development. However, this item was not included in the bond package. PAR continues to look for funding for the overall project.
 - PAR is simultaneously pursuing a public/private partnership agreement with the Norwood Park Foundation (NPF) to bring private resources to complete construction and provide ongoing maintenance and operations for a component of the project, specifically the Norwood House.

Parkland Improvement Operations and Management Agreement

This Parkland Improvement and Norwood House Management and Operations Agreement will allow the NPF to renovate the Norwood House, to improve the immediate grounds within the .31 acres zoned historical and upon completion of the improvements operate and manage the facility as a revenue-generating event rental facility.

The renovation project will include all necessary site infrastructures including but not limited to parking, accessible routes, utilities, lighting, signage etc. as required for a safe functional and code compliant public facility. The total cost of the project to renovate the Norwood House and improve the grounds is estimated to exceed \$1 million. The cost of construction will be paid for by the NPF using private resources, including an interest-free loan, donations and grants.

The NPF does not have the resources to complete the renovation of the house and grounds all at once, therefore, the proposed approach is for the NPF to complete the work in phases. The first phase is the stabilization of the Norwood House, estimated to cost \$175,000. This would be financed and completed by NPF within one year. After completing phase 1, NPF will raise the remaining funds needed for the project. NPF will secure 100% of the funding for each phase prior to beginning each phase of work and will complete all phases of the project within five years of executing the agreement.

Upon completion of the renovation project, NPF will operate and manage the facility as a community center and rental facility for events. All revenue generated from the facility would be used exclusively for:

1. NPF to pay for operation and maintenance of the facility
2. NPF to pay back interest-free loans provided to renovate the facility

To establish and grow a Norwood Long-Term Care Fund, consisting of (a) a maintenance fund for NPF's maintenance and repair obligations for the house and grounds, as well as (b) a capital fund for the project's future additional renovation and improvements.

Prior Council Action

City Council approved a resolution:

1. Supporting the efforts of the Norwood Park Foundation to fund and restore the Norwood House
2. Supporting the use of the Norwood House as a community meeting space and potential revenue-generating event facility for use by the Austin community
3. Directing staff to negotiate and execute a Park Improvement Agreement for the Norwood House with the Norwood Park Foundation

Next Steps:

- To be review by Land and Facilities Committee of the Parks Board on November 13, 2012
- To be reviewed by Parks Board on November 27, 2012
- Seek City Council approval to negotiate and execute the Parkland Improvement Operations and Management Agreement at Council Meeting on December 13, 2012
- Upon City Council approval, execute agreement with Norwood Park Foundation