



Radisson Hotel and Suites (RHS)
Parks and Recreation Dept.(PARD)

DRAFT

Public / Private Partnership

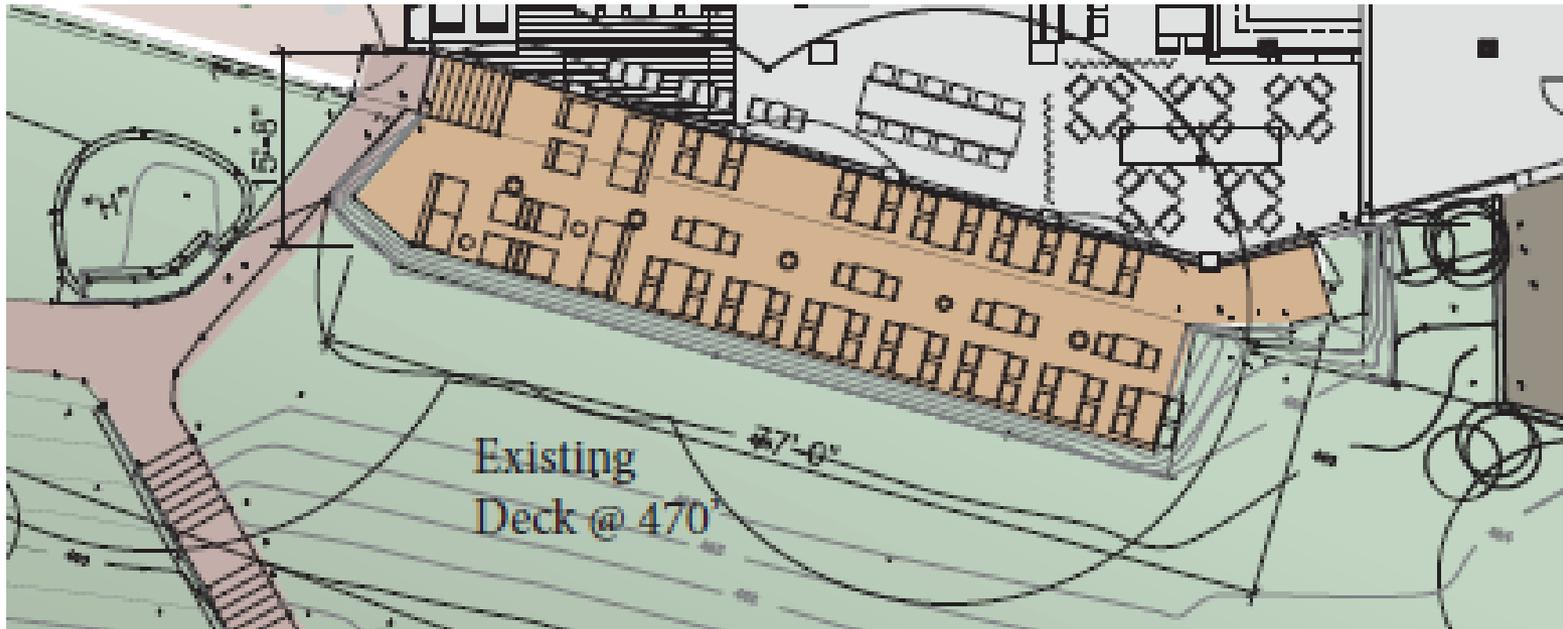
32 ° Grade Slope

Radisson Austin Backyard



Congress Avenue Staircase to Hike & Bike Trail 1993 Owner-Built





Existing Deck Plan: 1,125 square feet; 68 seats



Former Patio Deck



Proposed Park Deck Plan 

Upper Deck @ 470', 2400 sf, 140 seats

Lower Deck @ 465', 320 sf, 0 seats

Total Deck, 2720 sf, 140 seats



Proposed Park Deck Perspective

Michael Hsu
Office Of Architecture

4910 Burnet Road
Austin, Texas 78756
(512) 706.4303

History

- RHS has been locally owned by Forestar Group, an affiliate of Temple-Inland, for the past 30 years
- RHS has partnered with PARD since 1993 (20 years) under an existing agreement which expired on June 1, 2013
- Agreement consisted of:
 - 10-year term with automatic 10-year renewal
 - \$300k initial investment to provide pedestrian access from Congress Avenue to the Town Lake Hike and Bike Trail
 - Maintenance by RHS of one acre of Park Land:\$25k/yr.
 - Consideration: \$1.00 per year cash payment to City
- RHS went beyond existing agreement: Added \$10k permanent safety lighting to staircase. Annual partnering with Clean Scapes to assist PARD with their annual “It’s My Parks Day” Program
- Patio Deck has evolved into Austin’s “Batio Deck” to view one of Austin’s Top Tourist Attractions, the Congress Avenue Bridge Bats

Spreadsheet Comparing Agreements (Exhibit A)

Description	Expired Agreement	Proposed Agreement
Term	10 Yrs. With one 10 Yr. extension	25 Years
Upfront Private Capital Investment	\$300k	\$600K
City Investment	\$0	\$0
License Fee	\$1/Yr.	\$12k/Yr.
% of Net Income	N/A	Sliding Scale from 7% to 15%
Maintenance of City Parkland	RHS – annual cost of \$25k	RHS – annual cost of \$25k
ADA Accessibility	From Hotel Only	Add from Parkland

(EXHIBIT B)

	(20 Yrs)	(25 Yrs)	(25 Yrs)	(25 Yrs)
Description	Current - \$150k gross	Proposed - \$300k Gross Rev	Proposed - \$500k Gross Rev	Proposed - \$1,000k Gross Rev
Gross Patio Deck Revenues	150k	\$300k	\$500k	\$1,000k
Profit Margin	11%	11%	11%	11%
Net Income on Deck	\$16.5k	\$33k	\$55k	\$110k
PARD %	N/A	7%	10%	15%
PARD % - \$	0	\$2.3k	\$5.5k	\$16.5k
PARD Fixed \$	\$1	\$12k	\$12k	\$12k
Total PARD Fee per Yr.	\$1	\$14.3k	\$17.5k	\$28.5k
Annual Maint. Savings to PARD	\$25K	\$25K	\$25K	\$25K
Total PARD Annual Benefits	\$25,001	\$39.3K	\$42.5K	\$53.5K
Total PARD Term Benefits	\$500,020	\$982,500	\$1,062,500	\$1,337,500
PARD / City Cost	\$0	\$0	\$0	\$0

Public Benefits

- Enhancement & Maintenance of City Parkland with Private \$ to Supplement PARD Budget
- Continuity of Best Location for Bat Viewing for Tourists and Residents to Support Tax Base
- ADA Access to Parkland to Reduce City Liability
- Privately Funded Maintenance of Congress Avenue Staircase to City's Hike & Bike Trail
- Continued Private Funding of Annual "It's My Parks Day" and Partnerships
- Education of Local Students Regarding Bat Colony with Bat Conservation International
- Continuation of Existing 20-Year Partnership with Parks Department
- Zero \$0 Investment by Parks Department / City
- Potential Mutual Benefits for The Trail Foundation, Parks Foundation, BCI