

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	25733	Agenda Number	7.
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Meeting Date:	9/26/2013	Department:	Aviation
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Subject

Authorize negotiation and execution of a lease and development agreement with Scott Airport Parking, LLC for up to 64 acres of land at Austin-Bergstrom International Airport to develop and operate public covered parking facilities and additional services that enhance public use of the Airport.

Amount and Source of Funding

This is a revenue generating agreement.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	
For More Information:	Patti Edwards, Aviation Department, 512-530-6366
Boards and Commission Action:	July 9, 2013 - Approved by the Austin Airport Advisory Commission on a vote of 5-0-1 with Commission Member James Kelsey abstaining and Secretary D'Ann Johnson was absent.
Related Items:	
MBE / WBE:	This contract will be awarded in compliance with the Third Party Resolution No. 20120112-058 and requirements of Chapter 2-9(A-B) of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program).

Additional Backup Information

In January 2013, the Department of Aviation (Aviation) issued a Request for Proposals (RFP) seeking proposals from experienced persons to develop, build, and operate long-term covered surface parking facilities. Aviation's goals are to meet growing public demand for public covered parking facilities as well as compete with off-airport parking operations. The RFP invited proposals to include improved parking products and services available to airport customers. Proposers were encouraged to consider integration of alternate transportation options for airport customers as well as related products or services that reflect the nature and character of Austin.

Aviation received two proposals. Aviation selected Scott Airport Parking, LLC (SAP) based on its offer to develop and operate covered parking facilities that include an initial 2,000 parking spaces, necessary infrastructure to accommodate traffic flow, bicycle parking, electrical charging stations, park and ride area, car sharing options, and a pet hotel.

The lease allows SAP to develop the land in up to five phases. The first phase includes land located to the north of

the airport terminal near the airport hotel and across Highway 71. This land is not currently being utilized and has little or no potential for aeronautical use due to its location away from the airport's runways and taxiways (Air Operations Area). The following phases will include land not currently utilized and is located north of Highway 71. The term of the lease will not exceed thirty (30) years from when SAP exercises its right to lease and develop the final phase. Ground rent rate shall start at forty-five (\$0.45) cents per square foot per annum and adjusted at five (5) year intervals throughout the term of the lease. The City will also be paid an escalating percentage rent on all gross revenues.

SAP will comply fully with the City's M/WBE procurement program for third party contracts related to the design and construction of all phases of the development including active public outreach programs to identify and solicit M/WBE subcontractors.