

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	31996	Agenda Number	12.
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Meeting Date:	5/1/2014	Department:	Neighborhood and Community Development
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Subject

Authorize negotiation and execution of an amendment to a development agreement with the Austin Revitalization Authority for the restoration and preservation of the structure located at 1154 Lydia Street, originally known as the Herman Schieffer House, a.k.a. East Room, to increase the contract in an amount not to exceed \$350,000, for a revised total contract amount not to exceed \$580,000.

Amount and Source of Funding

Funding is available in the Fiscal Year 2013-2014 Operating Budget of the Neighborhood Housing and Community Development.

Fiscal Note

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

Purchasing Language:	Contract Amendment
Prior Council Action:	December 10, 2009 – Approved original Development Agreement.
For More Information:	Betsy Spencer, Director, 512.974.3182; Gina Copic, Real Estate Development Manager
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

On December 10, 2009, City Council approved the Development Agreement with Austin Revitalization Authority (ARA) to assist in the restoration and preservation of the structure located at 1154 Lydia Street, originally known as the Herman Schieffer House, a.k.a. East Room. This structure is eligible for the National Register of Historic Places as well as for City of Austin Historic Landmark status. The 2013 Development Agreement provided for funds in the amount of \$230,000, which were utilized for stabilization of the structure, including partial demolition, relocation of the structure approximately 60 feet to the north to its permanent location, and exterior renovations.

This proposed amendment of \$350,000 in Community Development Block Grant (CDBG) funds from East 11th and 12th Street Revitalization and Neighborhood Commercial Management Program (NCMP) will increase the current development agreement to an amount not to exceed \$580,000. The funds will be secured by a Deed of Trust and will be released once all federal requirements of the project have been met. The project's estimated total development cost is \$1,200,000. These additional funds will allow the Austin

Revitalization Authority (ARA) to complete the restoration of the structure which has an estimated cost of \$777,000. The City's commitment of the \$350,000 is contingent upon completion of an environmental review and ARA's ability to secure private financing for the balance. ARA has secured an Austin Convention and Visitor's Bureau Grant in the amount of \$42,000, other grants in the amount of \$24,900 and ARA contributions of \$174,400.

Estimated Sources and Uses:

Sources		Uses	
2009 COA Funding	\$230,000	Stabilization, partial demolition, and structural relocation	\$230,000
2014 Proposed COA Funding	350,000	Restoration Work	777,000
ARA Funds	174,400	Soft Costs	<u>193,000</u>
ACVB Grant Funds	66,900		
Private Lender Loan	<u>378,700</u>	TOTAL	\$1,200,000
TOTAL	\$1,200,000		