

## A G E N D A



## Recommendation for Council Action (Real Estate)

Austin City Council	Item ID:	49323	Agenda Number	70.
Meeting Date:	August 20, 2015			
Department:	Office of Real Estate Services			
Subject				
Approve a resolution authorizing negotiation of an agreement with FREMONT HOLDINGS, LLC for a two-year temporary staging and construction workspace, a 25-foot perpetual no-build area, and the dedication of 392 feet of right-of-way on City-owned land located at 64 Rainey Street, Austin. (District 9).				
Amount and Source of Funding				
Fiscal Note				
There is no unanticipated fiscal impact. A fiscal note is not required.				
Purchasing Language:				
Prior Council Action:	October 11, 2012 - Council approved Resolution No. 20121011-117, directing the City Manager to develop a range of options for use of 64 Rainey by Parks and Recreation Department for specific development that would address the needs of the adjacent Emma S. Barrientos Mexican American Cultural Center.			
For More Information:	Lauraine Rizer (512) 974-7078, Office of Real Estate Services; Mashell Smith, (512) 974-7149 Office of Real Estate Services; Amanda Glasscock, (512) 974-7173, Office of Real Estate Services.			
Boards and Commission Action:				
MBE / WBE:				
Related Items:				

### Additional Backup Information

64 Rainey Street is an 11,670-square-foot vacant lot owned by the City of Austin, located in the Rainey Street District in proximity to the Emma S. Barrientos Mexican American Cultural Center (MACC). On October 11, 2012, City Council directed staff to “develop a range of options for use of this parcel of land by the Parks and Recreation Department [PARC] for specific development that would address the needs of the adjacent [MACC]”.

Fremont Holdings, LLC (“Fremont”) owns the adjacent property to the north of the MACC, 68-74 Rainey Street, and has plans to develop a 35-story condominium tower with garage on that property. The developer, Sackman Enterprises, has requested Fremont’s use of the entirety of 64 Rainey Street to stage construction of their 70 Rainey development for approximately two (2) years. Fremont would also like an option to extend the agreement for up to nine (9) additional months.

Without use of 64 Rainey Street as a staging area, the developer plans to rent City right-of-way and shut down use of

one lane of the adjacent portion of Rainey Street for the duration of construction. The Public Works Department (PWD) recommends the use of 64 Rainey Street for staging as an alternative due to concerns of traffic congestion and public safety. Should Fremont not use 64 Rainey as a staging area, the fees to rent City right-of-way would be \$299,520, per Austin Transportation Department (ATD) figures.

The developer has also requested a 25-foot (25') perpetual building setback along the northern property line of 64 Rainey Street. This proposed encumbrance on the 64 Rainey Street property would preclude any vertical construction within the northernmost 25 feet of the City lot in perpetuity.

Without the City's agreement to this setback in perpetuity, Fremont plans to construct an 80-foot (80') firewall on the southernmost face (garage and podium) of the 70 Rainey development in compliance with City fire distance regulations. Fremont has requested that the City grant the 25' setback to allow them to construct a "living wall" façade with openings and planters in place of the firewall overlooking 64 Rainey Street from the north.

In addition, PWD has requested to widen the alley right-of-way running along the west side of both the City and Fremont properties by four feet (4'), which would require the dedication of a 4-foot (4') by 98-foot (98') strip of land from 64 Rainey Street as alley right-of-way.