



Radisson Hotel Deck Proposal Background and Overview

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October 13, 2015



Background



- In 1993, the City of Austin (City) and the Radisson Hotel entered into an Agreement for the construction of a deck on parkland:
 - 1,125 sq.ft. deck
 - Open to the public
 - No commercial activity on deck
 - Deck was removed in September 2013
- Maintenance and Improvement:
 - The Radisson Hotel has maintained the parkland adjacent to the deck for the last 20 years:
 - Grounds maintenance
 - Park improvements
- Legislative History
 - 2003 State Law authorizes the City to sell, lease or convey up to one acre (in aggregate) of land to property owners that are adjacent to the land.

Deck Contract – Overview and Key Terms



■ Term and Site:

- Term – 20 years, with two 5-year extensions
- Lease area - upper deck area – 2,000 sq. ft.
- Public space - lower deck area – 1,060 sq. ft.

■ Design and Construction

- Radisson to fund, design and construct upper and lower deck with City review and approval
- Improvements to include ADA access to lower deck from Congress Avenue
- Estimated cost: \$600,000

■ Management, Operation and Maintenance

- Radisson to operate and maintain restaurant on upper deck
- Radisson to maintain public open space on lower deck and parkland adjacent to the deck

Deck Contract – Overview and Key Terms



- Operating Hours and Rules
 - Leased space hours to coincide with the hours of operation of the hotel restaurant
 - Public space to follow Park rules and hours of operation

- Revenue Tracking, Rent and Revenue Sharing
 - Radisson to track all sales generated on the leased space
 - Radisson to pay fixed annual fee plus % of gross revenue from leased area
 - Due to the non-park and recreation use and limited public benefit of the facilities after the term, PARD is proposing financial terms that are at least as much as current park concession contracts
 - City and Radisson have not been able to agree on financial terms

Proposed Deck



Proposed Deck (3,460 sq. ft.):

Upper Deck (commercial) - Restaurant (2,400 sq. ft.) (~ 400 sq. ft. on Radisson property)

Lower Deck (non commercial) – Public Space (1,060 sq. ft.)





Timeline / Board and Council Actions

- ❑ **9/24/13** - Parks and Recreation Board. Provided briefing on proposal.
- ❑ **10/14/13** - Land and Facilities Committee of Parks Board. Recommendation to the Parks Board to support negotiation of an agreement with the Radisson Hotel.
- ❑ **10/22/13** - Parks and Recreation Board. Recommendation to City Council to authorize negotiation of an agreement with the Radisson Hotel.
- ❑ **2/27/14** - City Council. Authorized negotiation of an agreement with the Radisson Hotel for the construction and operation of restaurant deck and public terrace.
- ❑ **10/13/14** - Contract and Concessions Committee of Parks and Recreation Board. Briefing on contract and key terms
- ❑ **November 2014 to June 2015** – Radisson decided to put the proposal on hold
- ❑ **July 2015** – Radisson submitted a revised counter proposal to the City
- ❑ **August 2015** - The City responded the revised proposal was still not acceptable

Next Steps

- ❑ Reach agreement on financial terms
- ❑ If agreement is reached, seek recommendations to the City Council, from Concessions and Contracts Committee and Parks and Recreation Board, to authorize the execution of an agreement
- ❑ Obtain authorization from City Council to execute an agreement

