

STATEMENT OF TERMS OF PROPOSED INTERLOCAL AGREEMENT BETWEEN  
CITY OF AUSTIN AND TRAVIS COUNTY HEALTHCARE DISTRICT D/B/A CENTRAL HEALTH (CH)  
REGARDING THE  
ALIGNMENT OF RED RIVER STREET

1. ROW, Design, and Construction for New Red River.

- a. CH would design and construct Red River Street from 15<sup>th</sup> Street to 12<sup>th</sup> Street (the "New Red River"), including, without limitation, any storm water detention, water quality, and drainage infrastructure directly required therefor) (the "New Red River Project") on behalf of the City.
- b. CH would contribute to the City fee simple title in and to a portion of the CH property (the "Conveyance To The City") for the realignment of Red River Street and fund at CH's expense all the costs of design and construction of the portion of the New Red River Project through CH's property (thus, from 15<sup>th</sup> Street to 13<sup>th</sup> Street)(the "New Red River Central Health Segment"). In the Conveyance To The City, the parties agree that CH would reserve the right to place parking structures, water quality and detention infrastructure, and other subsurface structures and utilities that do not impede use of the conveyed property for New Red River.
- c. CH would front the costs of design and construction of New Red River from 13<sup>th</sup> Street to 12<sup>th</sup> Street (the "New Red River City Segment"), but the City would reimburse CH for such costs via a fee simple conveyance of a portion of the Red River Right-of-Way that exists today between 14<sup>th</sup> Street and 15<sup>th</sup> Street. The proposed segment of existing Red River Right of Way to be conveyed to CH will be identified by a metes and bounds description and sketch procured at CH's expense and shall be hereinafter referred to as the "Area To Be Vacated". (Note: prior to conveyance, City Staff will return to Council for approval of the financial transaction).
- d. The existing Red River Right-of-Way is estimated to be approximately 80.67 feet in width in the area that would be conveyed to CH, so the parties anticipate that Area To Be Vacated will be approximately 55.67 feet in width. (Note: prior to conveyance, City Staff will return to Council for approval of the financial transaction).
- e. The City and CH believe various subsurface utilities may currently exist within the Area To Be Vacated. The City would terminate any utility and other easements held by the City in the Area To Be Vacated if such easements are not in use at the time the Interlocal Agreement is executed. However, any utilities actually existing within the Area To Be Vacated would remain in place unless and until relocation thereof is approved by the City and performed by CH or CH's designee at CH's or its Designee's sole cost and expense, and all easements encumbering the Area To Be Vacated in which said utilities are located would not be terminated unless and until said utilities are either abandoned by the City or relocated.

- f. Ongoing vehicular access to the 25 feet of the existing Red River ROW adjacent to the Area To Be Vacated would be restricted to: (i) emergency vehicle access during emergencies, (ii) bike access, (iii) access by non-motorized vehicles, (iv) pedestrian access, and (v) access to and from the existing parking garage located on Block 168 of the CH property. Access to and from the existing CH Block 168 parking garage from and to this 25-foot segment of the existing Red River ROW would be left-in/right-out only and would terminate upon completion and opening of New Red River so long as access from the garage to New Red River is created as agreed by the parties.
- g. CH and the City would work together to establish a project schedule for the New Red River Project. Both parties acknowledge that time is of the essence and shall cooperate and coordinate to expedite Project completion.

## 2. Utilities.

- a. Except within the Area To Be Vacated, the parties are assuming that utilities currently in place in the existing Red River ROW will remain in place and that any such utilities that need to be relocated or redesigned for the benefit of CH will be relocated at CH's expense. Likewise, the City or successor owner of the Health South property shall be solely responsible for the costs of relocation or redesign of any and all utilities within the existing Red River ROW necessary for or benefitting the operation of or redevelopment of the Health South property.
- b. CH would be responsible for providing water quality and detention infrastructure resulting from the redevelopment of the CH property, but CH and the City agree to coordinate and work together to uniformly construct such infrastructure for the entire vicinity to benefit the City, Waller Creek Conservancy, and CH, with each party paying its pro rata share of such infrastructure but with the parties working to design such infrastructure in the most efficient way possible and without duplicating efforts and use of public dollars. CH also agrees to coordinate with the City to size infrastructure and utilities constructed by CH to accommodate detention and water quality capable of serving the Health South property, so long as the City is able to determine and articulate to CH the need for same within the same timeframe as that in which CH's design of New Red River and redevelopment of CH's property are occurring. CH would have no obligation to delay the design and construction of New Red River or of any project on CH property in order to wait to coordinate with the City in this regard.
- c. CH would work to accommodate all water quality and detention infrastructure necessitated by the redevelopment of the CH property on CH property, but the City will consider alternative proposals from CH for accommodating such infrastructure in City property, including, without limitation, beneath the existing Red River ROW. The parties acknowledge that such alternatives may include above-ground water quality and detention infrastructure in the form of beautification amenities such as rain gardens and water features if beneficial to Waller Creek Conservancy's programming of the existing

Red River ROW. Both parties acknowledge that there is no guarantee that such beautification amenities used as detention infrastructure are possible until fully agreed to by both parties.

4. Design and Construction of New Red River.

- a. CH would comply with Great Streets requirements to the extent possible given the existing buildings located on the CH Property and as modified to match the street design in place along Red River Street from 15<sup>th</sup> Street to 18<sup>th</sup> Street.
- b. CH would construct the New Red River of pavement suitable for heavy vehicles and transit vehicles so that New Red River is eligible to become a transit corridor in future years if needed.
- c. The City would promptly provide rights of entry, temporary construction easements, and construction staging easements to CH as reasonably necessary for construction of New Red River.
- d. The parties agree that the existing Red River Street would remain operational until New Red River is constructed, and the parties would coordinate the timing of property transfers accordingly.
- e. The City would allow CH vehicular access to New Red River from at least Blocks 164, 165, and Block 168. The City would consider – after CH reasonably explores access alternatives for Block 167 – access to New Red River from Block 167 as well; however, any and all access points and driveways would have to be in compliance with the City of Austin Transportation Criteria Manual in effect as of the date the Interlocal Agreement is executed. The City would allow, if CH so elects in its sole discretion, the access point for each Block to be constructed in compliance with the Transportation Criteria Manual in effect at the time the application for site development permit for each Block is submitted to the City for review.
- f. CH would design New Red River in a way that accommodates future appurtenances that may be requested by Capital Metro to the extent possible. The City would facilitate discussion among the City, CH, and Capital Metro to discuss and decide upon these appurtenances within a timeframe that does not delay the expeditious construction of New Red River.

5. Community Benefit.

- a. The City would acknowledge CH's payment for the New Red River Central Health Segment and advancing of funds for the New Red River City Segment, including funds expended prior to the execution of the ILA as a significant community benefit at least equal to the community benefit that would have been required of a project participating in the City's

Downtown Density Bonus Program in order for the project to achieve 25:1 F.A.R. and CBD use and site development regulations.

6. Development Review.

To the extent possible the City would work with CH to facilitate the review of future development of the site by establishing a condensed timeline for permit review for the future plans and permit applications needed to implement design and construction of the New Red River and the redevelopment of the CH property.

7. Health South/Downtown Central Plant Utility Reimbursement.

CH would provide the City with invoices for the utility services CH provided to the City's Health South Property from 1/1/18 through 3/31/19, which services include chilled water and steam utility service, maintenance, labor, etc., provided by CH to operate the Downtown Central Plant on the City's behalf. Within 3 months from the date an agreement setting forth all of the above is approved by the Council, the City would reimburse CH said utility service or, if agreed to by the parties, the parties would include the amount due by the City to CH as a part of the community benefit offered by CH in connection with the Agreement. (Note: prior to conveyance, City Staff will return to Council for approval of the financial transaction).