



## MEMORANDUM

**TO:** Mayor and City Council Members

**FROM:** Andrew J. Linseisen, P.E., Assistant Director  
Development Services Department

**DATE:** June 18, 2019

**SUBJECT:** Proposed 3<sup>rd</sup> Amendment to the Brackenridge Development Agreement  
Redevelopment of 2.64 acre tract - 715 Exposition Boulevard (“Safeway Tract”)

On May 5, 2019, Armbrust and Brown, PLLC, as agent for The University of Texas System, requested that the City of Austin initiate an amendment to the Brackenridge Development Agreement (BDA) to modify the development standards applicable to the “Safeway Tract” provided in Section 7.3 of the agreement. After completion of a multi-department review, staff supports the proposed amendment and requests that Council authorize the City Manager to negotiate and execute the amendment to the BDA.

### SUMMARY

This amendment is the third amendment to the BDA and is proposed to be completed under procedures outlined in Section 14.1 of the BDA. The proposed modifications are limited to changes to the specific requirements impacting the redevelopment of the Safeway Tract identified in Section 7.3 of the BDA and do not modify or affect any of the other terms of the agreement. The requested modifications are intended to facilitate the redevelopment of the existing Randall’s grocery store as a larger modern HEB grocery store. The amendments propose to modify the FAR and allowable building coverage to provide for an increase in the allowable building size from the current entitlement of 51,749 SF to a maximum of 114,998 SF. Additionally, the request includes modifications to the building setbacks and driveway access provisions under Section 7.3. As a part of this request the applicant has agreed that the applicant will provide transportation mitigation improvements and to fully fund any required water and wastewater improvements necessary to adequately serve the redevelopment. The proposed amendments are supported by the West Austin Neighborhood Group as identified by a letter of support dated June 11, 2019. Additional details of the applicant’s request and staff’s analysis are included as attachments to this memorandum.

cc: Spencer Cronk, City Manager  
J. Rodney Gonzales, Assistant City Manager  
Denise Lucas, Interim Director, Development Services Department  
Greg Guernsey, Director, Planning and Zoning Department  
Rob Spillar, Director, Austin Transportation Department

### Applicant’s Requested Amendments

On May 5, 2019, Armbrust and Brown, PLLC, as agent for The University of Texas System, requested that the City of Austin initiate an amendment to the Brackenridge Development Agreement (BDA) to modify the development standards applicable to the “Safeway Tract” provided in Article VII, Section 7.3 of the agreement, see *Exhibit A - BDA Amendment Letter 2019.5.15*. A summary of the existing regulations outlined in Section 7.3 and the proposed amendments requested are reflected in the table below:

Regulation	Current		Proposed	
	BDA		BDA	
	Criteria		Criteria	
Site Area	2.640 Ac	114,998 SF	2.640 Ac	114,998 SF
FAR	0.45:1	51,749 SF	1.0:1	114,998 SF
Building Coverage	50%	57,499 SF	90%	103,499 SF
Impervious Cover	90%	103,499 SF	90%	103,499 SF
Height	40'		40'	
Building Setbacks				
Lake Austin Boulevard	35'		25'	
W 8th Street	25'		10'	
Newman Drive	25'		10'	
Exposition Boulevard	15'		15'	
Driveways				
Lake Austin Boulevard	2		1	
W 8th Street	0		0	
Newman Drive	1		1	
Exposition Boulevard	2		2	

A copy of the existing development regulations in Article VII, Section 7.3 of the BDA are included in *Exhibit B – BDA Development Regulations Safeway Tract*.

The original request by the applicant included a driveway access to W 8<sup>th</sup> Street which has been removed after further discussion with staff. Additionally, the applicant’s original request asked for Council consideration of a right-of-way vacation for a portion of W. 7<sup>th</sup> Street between Newman Drive and Lake Austin Boulevard. While transportation staff have indicated possible support for this request, subject to review of the final site design and access management strategies, the ROW vacation request is best addressed through the City’s standard ROW vacation application process and may be presented for Council consideration at a future agenda. The applicant has requested that building setbacks in the agreement be established based on the existing right-of-way lines should future right-of-way dedication be required.

### Existing Conditions

The site is currently occupied by an existing Randall’s Grocery Store of approximately 34,000 SF which was constructed prior to the execution of the Brackenridge Development Agreement. *Exhibit C – Safeway Tract Aerial Exhibit* shows the current store, the surrounding areas, and the adjacent zoning. The site was previously zoned LO, however, following execution of the BDA

land uses are regulated by Article V, Section 5.1.E of the BDA. See *Exhibit D – BDA Land Use Regulations* for details on the uses permitted on the site.

Based on an on-the-ground boundary and topographic survey of the site provided by the applicant, some of the building setbacks associated with the existing Randall’s store are less than those specified under the BDA. The table below provides a summary of the current building setbacks, the BDA requirement, and the applicant’s requested modification:

Building Setbacks	Existing Randalls	Current	
		BDA Criteria	Proposed Criteria
Lake Austin Boulevard	100'+	35'	25'
W 8th Street	10'	25'	10'
Newman Drive	10'	25'	10'
Exposition Boulevard	26'	15'	15'

The site is not located over the Edwards Aquifer Recharge Zone and is in the Desired Development Zone, and according to floodplain maps there is no floodplain within or adjacent to the project location. The site is located in the Johnson Creek Watershed of the Colorado River Basin, which is classified as an Urban Watershed by Chapter 25-8 of the City's Land Development Code.

Transportation

Austin Transportation Department has reviewed the June 12, 2019, Technical Memorandum on HEB Tarrytown Development, prepared by the BOE Consulting Services, LLC. The proposed redevelopment site is located northeast of the intersection of Exposition Boulevard / Lake Austin Boulevard.

Based on the review of the technical memorandum, ATD recommends that the amendment to the Brackenridge Development Agreement be approved to accommodate the proposed HEB in Tarrytown. The preliminary analysis performed by the applicant shows that the existing roadway network adjacent to the proposed site is currently saturated during the peak hours; however the applicant shall conduct a Transportation Impact Analysis (TIA) at the time of Site Plan for the proposed redevelopment project. The potential improvements that the TIA will investigate at the time of site plan, include, but are not limited to:

- Potential bicycle/pedestrian improvements to match the recently approved Austin Strategic Mobility Plan (ASMP) along the frontages of the property to Lake Austin Boulevard, Exposition Boulevard, Newman Drive, and W. 8<sup>th</sup> Street;
- Potential modifications to W. 7<sup>th</sup> Street at Lake Austin Boulevard to enhance bicycle and pedestrian safety as well as vehicular efficiency;
- Potential modifications to Exposition Boulevard to enhance bicycle and pedestrian safety as well as vehicular efficiency;
- Potential modification to Newman Drive at Lake Austin Boulevard to enhance bicycle and pedestrian safety as well as vehicular efficiency; and
- Potential widening of Lake Austin Boulevard to provide eastbound and westbound left-

turn lanes at the intersection with Exposition Boulevard.

As part of the future planning assessment, the applicant evaluated the potential future realignment of Exposition Boulevard. It was evaluated for potential safety and network efficiency improvements for the future horizon. The section of Exposition Boulevard along the HEB property frontage and the intersection of Exposition Boulevard/Lake Austin Boulevard could be realigned in future with a potential future southern leg at this intersection, when the parcel south of Lake Austin Boulevard is developed.

#### Austin Water Utility

The developer intends to serve the redeveloped site with City of Austin water and wastewater utilities. By specific agreement for the redevelopment of the Safeway Tract, the applicant will be responsible for providing any water and wastewater utility improvements, offsite main extensions, utility relocations and / or abandonments, required by the land use at their own expense.

#### STAFF RECOMMENDATION:

After a multi-department review of the proposed amendments, staff recommends that Council authorize the negotiation and execution of the amendments. Some of the key factors that staff have considered in making this recommendation are outlined below:

- The proposed modifications to the BDA are limited to changes to the specific regulations impacting the redevelopment of the Safeway Tract and do not modify or affect any of the other terms of the agreement;
- The proposed redevelopment does not represent a change of use and will provide the surrounding area an enhanced level of service from the expanded modern grocery store;
- The amendments requested are supported by the West Austin Neighborhood Group, see *Exhibit E – West Austin Neighborhood Group Letter*;
- The applicant has agreed to fund and construct any required water and wastewater improvements necessary to facilitate the redevelopment;
- The applicant has agreed to provide a full traffic analysis and appropriate transportation mitigation as part of the final review and approval of the development permitting.

#### INDEX OF EXHIBITS TO FOLLOW

Exhibit A - BDA Amendment Letter 2019.5.15  
Exhibit B – BDA Development Regulations Safeway Tract  
Exhibit C – Safeway Tract Aerial Exhibit  
Exhibit D – BDA Land Use Regulations  
Exhibit E – West Austin Neighborhood Group Letter

EXHIBIT A

ARMBRUST & BROWN, PLLC

ATTORNEYS AND COUNSELORS

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RICHARD T. SUTTLE, JR.  
(512) 435-2310  
*rsuttle@abaustin.com*

May 15, 2019

VIA ELECTRONIC MAIL  
VIA HAND DELIVERY

Mr. Spencer Cronk, City Manager  
City of Austin  
301 West 2nd Street, 3rd Floor  
Austin, TX 78701

Re: Brackenridge Development Agreement and Redevelopment of a 2.64 acre tract  
located at 715 Exposition Boulevard, in Austin, Travis County, Texas  
("Property")

Dear Mr. Cronk:

This firm represents and this letter is written on behalf of The University of Texas ("Owner"), owner of the Property. Owner selected HEB Grocery Company, LP. ("HEB") through a RFP process as a development partner for the redevelopment of the Property. The Property is currently being used for a Randall's grocery store and is covered by the Brackenridge Development Agreement ("BDA").

The purpose of this letter is to request modifications to the BDA to allow for the redevelopment of the Property. The modification procedure Per Section 14.1 of the BDA requires the modifications to be in writing and signed by the Owner and the City of Austin. The modifications pertain to Section 7.3 of the BDA and are listed in the chart below (unless listed on the chart, current BDA development requirements shall apply).

Issue	Current BDA Criteria	Criteria Requested
FAR	.45:1	1:1
Building Coverage	50%	90%
<b>Building Setbacks</b>		
Lake Austin Blvd	35'	10'
W 8th St	25'	10'
Newman Dr	25'	10'
Exposition Blvd	15'	10'
<b>Driveways</b>		
W 8th St	0	1

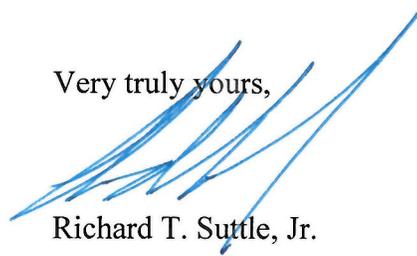
In addition Owner requests the closing of West 7<sup>th</sup> Street between Newman Drive and Lake Austin Boulevard highlighted in green in the image below. The abandoned right-of-way would be vacated and conveyed to Owner at no cost to Owner per Section 7.3.f.4 of the BDA.



We are hopeful this amendment request can be processed quickly before the Council break in July. Owner intends to request additional amendments to the BDA in the near future and they will be submitted under a separate application but this one is very time sensitive for the redevelopment schedule for HEB.

We request a meeting with City staff at the earliest opportunity to discuss the process for this request and so that HEB can commence redevelopment of the Property in the immediate future. Please feel free to contact me with any questions or comments. Thank you in advance for your attention to this matter.

Very truly yours,



Richard T. Suttle, Jr.

Enclosure

cc: Andrew Linseisen  
Rob Spiller  
Jarod O'Brien  
David Armbrust

EXHIBIT B

ARTICLE VII  
TRACT SPECIFIC DEVELOPMENT REGULATIONS

Section 7.1. Boat Town Tract. The following Negotiated Development Regulations apply to the Boat Town Tract:

- a. F.A.R. shall not exceed 0.4:1.0.
- b. The Height of any Structure shall not exceed 40 feet.
- c. The Building Setback Line is 10 feet from Lake Austin Boulevard. There is no Building Setback Line along Lake Austin.
- d. Building Coverage shall not exceed 50% of the gross area of the Tract.
- e. The Impervious Cover for the Boat Town Tract shall not exceed 80% of the gross area of the Tract.
- f. A maximum of 3 driveways shall be permitted along Lake Austin Boulevard.
- g. Special Provisions:
  1. Off-site parking shall be permitted on the Park Street Tract in conjunction with either a grade-separated pedestrian link or improvements to the Enfield Road - Lake Austin Boulevard intersection or Lake Austin Boulevard.
  2. Public access to Lake Austin shall be preserved in the Development of the Boat Town Tract and public access shall be provided simultaneously with substantial upgrading or expansion of the marina facilities.
  3. No reflective roofs shall be permitted within the Tract or on Marina facilities.
  4. The University shall give the City not less than 180 days notice should Development of the Boat Town Tract require removal or relocation of the City of Austin Lake Patrol facility which is located on the Tract.
- h. Provisions Regarding Marinas:
  1. Upgrading and/or expansion of the Boat Town Marina and docks shall be permitted; and such upgrading and/or expansion shall be controlled and regulated

1. Structures between 50 feet and 200 feet from the right-of-way of Enfield Road shall not exceed two stories or 30 feet in height;
  2. Over 200 feet from the right-of-way of Enfield Road structures shall not exceed five stories or 65 feet in height.
- h. Driveways:
1. Three driveways shall be permitted along Lake Austin Boulevard;
  2. One driveway shall be permitted along Enfield Road, if the driveway is required for safety purposes, provided, however, that single family and duplex lots may each have one driveway onto Enfield.
- i. Special Provisions:
1. No direct street through the Tract connecting Enfield Road to Lake Austin Boulevard shall be allowed except for safety purposes. It is the intent of the parties to discourage traffic flows across the Tract and various methods, including without limitation, crash gates and circuitous routes, may be used for this purpose;
  2. Non-residential development shall be oriented away from Enfield Road;
  3. Development for multifamily use shall be limited to a maximum of 22 units per acre;
  4. Upon the mutual written agreement of the parties, land within the Tract may be exchanged on a square foot for square foot basis for land within the Golf Course and the Golf Course Lease shall be amended to make any changes agreed to by the parties.
  5. Park Street may be upgraded to a cul-de-sac from either Lake Austin Boulevard or Enfield Road and does not constitute a "driveway" as limited by Section 7.2.h. above.

Section 7.3. Safeway Tract. The following Negotiated Development Regulations shall apply to the Safeway Tract:

- a. F.A.R. shall not exceed 0.45:1.0.

- b. The maximum Height of any structures shall be three stories, not to exceed 40 feet.
- c. The Building Setback Line shall be a minimum of 35 feet from the existing right-of-way of Lake Austin Boulevard and 25 feet from West Eighth and Newman Streets and 15 feet from the Exposition Boulevard right-of-way.
- d. Building Coverage shall not exceed 50% of the gross area of the Tract.
- e. Impervious Cover for the Safeway Tract shall not exceed 90% of the gross area of the Tract.
- f. Driveways:
  - 1. Two driveways shall be permitted along Lake Austin Boulevard.
  - 2. One driveway shall be permitted along Newman Drive, except as provided in Section 7.3.f.3.
  - 3. Two driveways shall be permitted along Exposition Boulevard.
  - 4. The University shall join the West Austin Neighborhood Group in requesting the closing of West Seventh Street between Newman Drive and Lake Austin Boulevard if the abandoned right-of-way is vacated and conveyed to The University at no cost to The University.

Section 7.4. Deep Eddy Tract. The following Negotiated Development Regulations shall apply to the Deep Eddy Tract:

- a. F.A.R. shall not exceed 0.45:1.0.
- b. The maximum Height of any structure shall be three stories, not to exceed 40 feet.
- c. The Building Setback Line for all uses, including residential, is 35 feet from the existing right-of-way of Lake Austin Boulevard. The Building Setback Line for non-residential uses shall be 50 feet from West Seventh Street and from Hearn Street. The Building Setback Line along West Seventh Street and Hearn Street is 25 feet for residential uses.
- d. Building Coverage shall not exceed 50% of the gross area of the Tract.



- N  Subject Property
- Lot Lines
- Brackenridge Agreement Tracts

1 in = 200 feet

## EXHIBIT C

### Brackenridge Development Agreement: Proposed 3rd Amendment Safeway Tract



This map has been produced by the City of Austin for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness

EXHIBIT D

ARTICLE V  
LAND USE

Section 5.1. North Tracts. When developing for Non-University Purposes, the following uses shall be prohibited as principal but not accessory uses on the North Tracts:

A. Deep Eddy Tract

1. Agricultural Uses
2. Agriculture Sales and Services
3. Art and Crafts Studio (Industrial)
4. Automotive Sales
5. Automotive Repair
6. Automotive Rental
7. Aviation Facilities
8. Basic Industry
9. Building Maintenance Service
10. Campground
11. Cemetery
12. Construction Sales and Service
13. Convenience Storage
14. Detention Facilities
15. Equipment Sales
16. Equipment Repair Service
17. Exterminating Services
18. Funeral Services
19. Kennels
20. Laundry Services

19. Kennels
20. Laundry Services
21. Lodging House Residential
22. Maintenance and Service Facilities
23. Major Utility Facilities
24. Mobile Home Residential
25. Monument Retail Sales
26. Pawn Shop Services
27. Private Secondary Education Facilities
28. Private Primary Education Facilities
29. Public Primary Education Facilities
30. Public Secondary Education Facilities
31. Railroad Facilities
32. Resource Extraction
33. Scrap & Salvage Services
34. Stables
35. Stockyards
36. Transitional Housing
37. Warehouse and Distribution (General)
38. Warehouse and Distribution (Limited)

E. Safeway Tract

1. Agricultural Uses
2. Agriculture Sales and Services
3. Art and Crafts Studio (Industrial)
4. Automotive Rental
5. Aviation Facilities

6. Basic Industry
7. Building Maintenance Service
8. Campground
9. Cemetery
10. Construction Sales and Service
11. Convenience Storage
12. Detention Facilities
13. Equipment Sales
14. Equipment Repair Service
15. Exterminating Services
16. Family Home
17. Funeral Services
18. Hospital Services (General)
19. Kennels
20. Laundry Services
21. Maintenance and Service Facilities
22. Major Utility Facilities
23. Marina
24. Mobile Home Residential
25. Monument Retail Sales
26. Pawn Shop Services
27. Public Secondary Education Facilities
28. Railroad Facilities
29. Recreational Equipment Maintenance & Storage
30. Resource Extraction
31. Scrap & Salvage Services

32. Stables
33. Stockyards
34. Transitional Housing
35. Vehicle Storage
36. Warehouse and Distribution (General)
37. Warehouse and Distribution (Limited)

Uses not expressly prohibited by this section are permitted as uses on the North Tracts. All existing uses are permitted uses on Tracts where they are presently located.

Section 5.2. Stratford Tract. Permitted uses for the Stratford Tract, when developed for Non-University Purposes, shall be restricted to the following:

- a. Single Family Residential
- b. Duplex
- c. Two Family Residential
- d. Townhouse Residential
- e. Condominiums
- f. Community Recreation

All uses not specifically permitted by this Section are prohibited uses on the Stratford Tract.

# WEST AUSTIN NEIGHBORHOOD GROUP



June 11, 2019

Organized 1973

**OFFICERS**

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Cathy Kyle  
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August Harris  
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Brady Pedneau  
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The Honorable Steve Adler  
Mayor  
City of Austin  
P.O. Box 1088  
Austin, Texas 78701

The Honorable Alison Alter  
Councilmember, District 10  
City of Austin  
P.O. Box 1088  
Austin, Texas 78701

Re: Brackenridge Development Agreement and Redevelopment of a 2.64 acre tract located at 715 Exposition Boulevard, in Austin, Travis County, Texas

Dear Mayor Adler and Councilmember Alter:

The West Austin Neighborhood Group (WANG) Board of Directors has met on two occasions with HEB’s public relations and design teams to discuss its plans for the site referred to in the Brackenridge Development Agreement (BDA) as the Safeway Tract located at the corner of Exposition Boulevard and Lake Austin Boulevard. We respectfully ask that you place their request to amend the BDA on Council’s June 20<sup>th</sup> agenda. We do this with the explicit understanding that this request stands in isolation solely as it pertains to this particular site and in no way should be construed to alter or amend the entirety of the BDA.

We believe that HEB intends to undertake an exemplary project that will meet both the needs and concerns of our stakeholders and that this will become an asset to our entire West Austin community. We note how diligent HEB has been in working with other communities that it serves to craft superior outcomes and we anticipate that effort on this site as well based on our experience to date.

In order to do so, HEB and the University of Texas have requested the following nominal amendments for this site.

Issue	Current BDA Criteria	Amended Criteria Requested
Floor Area Ratio	.45:1	1:1
Building Coverage	50%	90%
Building Setbacks		
Lake Austin Blvd	35'	25' <sup>(1)</sup>
W 8th St	25'	10'
Newman Dr	25'	10'
Exposition Blvd	15'	15' <sup>(1)</sup>

(1) Measured from current property line, prior to ROW taking, if any.

Mayor Steve Adler  
June 11, 2019  
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We believe that these indeed are requests that make better use of the site, address a variety of concerns and improve the experience for our stakeholders. Because this site is unique as it relates to the remainder of the Brackenridge Tract and because the use remains unchanged, we do not oppose the amendments above. Our non-opposition in this matter is contingent on both the City of Austin and the University of Texas recognizing that this doesn't otherwise alter or amend the BDA.

HEB has committed to continuing to work with our community just as they have with others. We don't see this as the end of the dialogue but a next step in timely creating an asset for our community. We anticipate the possibility of other issues arising during the design and construction phases that we may object to or about which we may have concerns. Rest assured, WANG will strive to work with both the University of Texas and HEB to ensure the best possible outcome for all. Your placing this on the June 20<sup>th</sup> Council calendar will allow HEB and our stakeholders the opportunity to move forward with next steps in an expeditious manner.

Sincerely,

Holly Reed  
President  
West Austin Neighborhood Group

HR:ah