



MEMORANDUM

TO: Mayor and Council

THRU: Christopher Shorter, Assistant City Manager
Rey Arellano, Assistant City Manager

FROM: Kimberly McNeeley, CPRP, Director, Parks and Recreation Department
Jorge Morales, P.E., CFM, Director, Watershed Protection Department

DATE: July 29, 2020

SUBJECT: **Waller Creek District Program Update**

Kimberly A. McNeeley
Jorge Morales

The purpose of this memo is to provide an annual update to Mayor and Council regarding the Waller Creek District (District). The memo includes updates related to the project progress, budget, and schedule for Waterloo Park, Symphony Square, Creek Delta, and Palm Park. As the update demonstrates, the City of Austin (City) and Waterloo Greenway Conservancy (WGC, formerly known as the Waller Creek Conservancy) continue to advance capital improvements in the District while considering the unprecedented challenges due to COVID-19. Ultimately, we are successfully leveraging the strengths and talent of our partnership to implement and manage the construction of this world-class public green space.

BACKGROUND

The City and WGC are developing the District along a restored Waller Creek in downtown Austin. Extending from Waterloo Park to Lady Bird Lake, the District will include 35 acres of public green space along 1.5 miles of a restored and ecologically resilient Waller Creek. Within the park system, there will be 3 miles of new hike and bike trails, public art installations, play spaces for family and children, and engaging cultural programs. The revitalized urban ecosystem will reintroduce community-centered spaces to our city, transforming a historically forgotten place, plagued by flash floods, poor water quality, and crumbling infrastructure, into an extraordinary park system for Austin. Below is a list of key Council actions to support this vision to date:

- June 20, 2007: Council created Waller Creek TIRZ No. 17 to finance the construction of the Waller Creek Tunnel Project.
- September 23, 2010: Council approved a resolution directing the City Manager to explore a public-private partnership with the Waller Creek Conservancy for the development, management, and operation of the Waller Creek District.
- April 28, 2011: Council approved the Memorandum of Understanding between the City and the Waller Creek Conservancy and created the Waller Creek Local Government Corporation (LGC).

- October 18, 2012: Council approved a resolution affirming the selection of Michael Van Valkenburgh Associates (MVVA)/Thomas Phifer & Partners (TPP), as chosen by Waller Creek Design Competition Jury relating to the revitalization of the Waller Creek District.
- June 20, 2013: Council authorized negotiation and execution of the Waller Creek District Joint Development Agreement (JDA) and related documents between the City, Conservancy, and the LGC concerning the revitalization of the Waller Creek District. Council also approved the Waller Creek Design Plan as developed by MVVA/TPP.
- May 24, 2018: Council authorized an Amendment No. 2 to the Waller Creek TIRZ No. 17 to add \$110M in tax incremental financing (TIF) to support surface improvements in the District. The updated Design Plan was also approved as part of this action.

CAPITAL PROGRAM UPDATE

The capital program is developing the District in geographically bundled capital improvement projects to efficiently plan and fund the projects. In addition, the bundling of projects allows for individual spaces to open to the community while other areas are under development. As shown in Exhibit C, the District includes Waterloo Park, Symphony Square, the Refuge, Palm Park, Creek Delta, and the Pontoon Bridge. Below is a summary of current efforts in Waterloo Park, Symphony Square, Creek Delta and Palm Park.

WATERLOO PARK

Waterloo Park is the first phase of work in the District and is currently under construction. This phase of construction includes the redevelopment of 11 acres of parkland and the restoration of Waller Creek between 12th Street to 15th (see Exhibit D). The project will feature one mile of ADA-accessible pathways that weave through the park's varied topography, connecting a network of gardens, traditional and nature-play elements, a new public restroom pavilion, food trucks, and the Moody Amphitheater. The next chapter of Waterloo Park will tell the story of the communities of color who were displaced by the establishment of the park in the 1970s, and will provide multi-cultural and multi-generational recreational, educational, and entertainment experiences -- embodying the values of our community to further equity and racial justice.

Once complete, Waterloo Park will be primarily managed by WGC, in accordance with the roles established in the Joint Development Agreement (JDA). Revenue collected from entertainment and concession amenities in Waterloo Park will be a critical funding source for sustaining park operations and maintenance at an exceptional level. WGC will work closely with the Watershed Protection Department (WPD) to coordinate the vital Flood Control Tunnel operations and work collaboratively with the Parks and Recreation Department (PARD) to manage the park and landscape areas. The 5,000-person capacity Moody Amphitheater will serve as a new northern anchor for the Red River Cultural District under the management of WGC, infusing new activity into eastern Downtown.

Waterloo Park Construction Budget

Following the Phase Plan process defined in the JDA, the Waterloo Park Construction Phase Plan (Waterloo Construction Phase Plan) began construction as approved by the LGC on December 19, 2018. The budget approved in the Waterloo Construction Phase Plan included funding with certificates of obligation that have been authorized by City Council for use within the District (appropriations to date have included funding for both PARD and WPD) as part of the City's annual budget process and budget amendments, along with the TIF funding plan approved by Council in May of 2018.

During the course of construction, there were two scope additions that serve to unify and complete the project: the restoration of Waller Creek between 14th and 15th Streets within the park (also known as Sector 9), and an inlet bypass structure that will optimize the Waller Creek Tunnel's operations in minor storm events. These were documented as addenda to the Construction Phase Plan. Addendum One:

Sector 9 was approved by the LGC on February 13, 2019, and Addendum Two: Inlet Bypass was approved by the LGC on June 12, 2019.

Public funding sources allocated and encumbered for Waterloo Construction Phase Plan include:

- PARD 2012 Bond – Proposition 14
- PARD Parkland Dedication Fees
- WPD Drainage Utility Fund
- WPD Tree Mitigation Fund
- DSD Urban Forest Replenishment Fund
- Certificates of Obligation, including TIF-supported Funding
- Texas Parks and Wildlife Department (TPWD) Local Parks Urban Outdoor Recreation Grant

Addendum Three to the Waterloo Park Construction Phase Plan was recently approved by the LGC on June 10, 2020. It did not increase the overall project budget, but instead redistributed the departmental funding contributions by \$3,000,000, using existing PARD appropriations (from FY18 through FY20) funded by TIF-backed certificates of obligation, approved by City Council during the annual budget process. This adjustment was needed in response to financial impacts on WGC due to the COVID-19 crisis.

Exhibit A: Waterloo Park Construction Funding Progression

Phase Plan (Approval Date)	CO (TIF supported)	COA/STATE	WGC	TOTAL
Waterloo Park Construction (Dec 18)	\$ 25,869,692	\$ 3,328,932	\$ 32,161,313	\$ 61,359,937
Addendum One: Sector 9 (Feb 19)	\$ 666,833	\$ 7,188,281	\$ 75,000	\$ 7,930,114
Addendum Two: Inlet Bypass (Jun 19)	\$ ---	\$ 3,694,690	\$ ---	\$ 3,694,690
Addendum Three: Budget Split (Jun 20)	\$ 3,000,000		(\$ 3,000,000)	\$ ---
Total by Funding Source	\$ 29,536,525	\$ 14,211,903	\$ 29,236,313	\$ 72,984,741

Both PARD and WPD, as co-sponsors of the Waller Creek District Program, supported this adjustment to the funding for Waterloo Park Construction in the spirit of partnership and are anticipating a successful opening of the park in Spring 2021. The ability for the City to assist WGC, using already allocated funds planned for the District, to bolster the program during this unexpected health and economic crisis exemplifies the value in this public-private partnership.

The updated funding strategy for the Waterloo Park Construction Project aligns with recent Council resolutions in support of economic relief amidst the COVID-19 pandemic. One recent resolution (No. 20200521-095) was passed on May 21, 2020 and directed actions to support near-term relief and long-term investment in Austin’s creative economy and cultural arts facilities. It provided direction to review capital project delivery and make recommendations to accelerate investment in cultural facilities operated by third parties on city-owned property as well as public-private partnerships that may have difficulty achieving or need additional time to meet their private fundraising commitments to the City, among others.

Addendum Three was not an amendment to the TIF Plan, but an administrative adjustment to the spending allocations within the District. It does not change the overall program contribution of WGC, but rather allows the organization additional time to recover from the COVID-19 pandemic. The overall private contribution to the program by WGC remains the same – the additional \$3,000,000 the City is contributing now will be made up for in future phases. An updated TIF Plan showing the funding for the projects will be shared with Council as part of the LGC’s **Annual Project Plan in September 2020**.

Waterloo Park Schedule

Waterloo Park construction is well underway and is being continued steadily amid COVID-19, with increased safety precautions. Significant progress has been made toward the vision for the park, including construction of the Moody Amphitheater concrete walls, installation of a glass skylight roof, along with advancing formation of the Deal Booth Promenade, Heritage Deck, and Family Pavilion. Soil, trees and plants, and irrigation are being installed in the southwest area of the park – transforming a construction site into a soon-to-be green oasis. Eight heritage tree transplants are being successfully integrated into the design, adding to the park’s nearly 500 total trees – 25 conserved on site and 466 newly planted, as well as the handful carefully relocated from the surrounding area. Creek restoration work north of the 14th Street bridge is also in progress.

The current schedule projections by the contractor show substantial completion by the end of 2020, with final completion shortly after. Event-related coordination and planning is in progress via the Austin Center for Events (ACE) and will continue on a regular basis until the first event is held. Allowing time for plants and the lawn to get established as well as installation and testing of the new facilities in the park, Waterloo Park is anticipated to open to the public in spring 2021. Its opening will memorialize this true collaborative transformation through a community celebration.

SYMPHONY SQUARE

Following the WGC’s 4-month site-wide restoration of the historic Symphony Square in 2018, the organization was awarded a grant from Preservation Austin, with additional funding through the City of Austin Heritage Grant, for exterior improvements to the Hardeman House in 2019.

Repairs began in early 2020 with replacement of the door system as an important step in preserving this beloved City of Austin Historic Landmark. A second phase of repairs included replacement of the Hardeman House building roof and replacement of damaged windows.

During WGC’s first full calendar year in the historic complex, the organization activated Waller Creek with a series of vibrant arts and culture events, welcoming over 70,000 visitors during 60 free community programs.

CREEK DELTA

Stretching from Lady Bird Lake to 4th Street, Creek Delta is the southernmost gateway to the District. This section of the Greenway is approx. 0.5 miles long through a highly urbanized landscape creating opportunities for natural channel stability and restoration techniques to be implemented. An accessible bike and pedestrian trail will follow the path of Waller Creek, providing the community with a truly immersive and engaging natural ecology experience. At strategic locations, Creek Delta will connect to street level, providing vital connectivity to downtown Austin, the expanded Downtown MetroRail Station, Austin Convention Center, Palm Park, the Rainey Street District, Ann and Roy Butler Hike and Bike Trail, and Emma S. Barrientos Mexican-American Cultural Center.

Creek Delta Construction Document Budget

Following the Phase Plan process defined in the JDA, the Creek Delta Construction Documents, Permitting, & Bidding Phase Plan (Creek Delta CD Phase Plan) was approved by the LGC on June 26, 2019. On November 4, 2019, the LGC approved one scope addition as Addendum One: Austin Energy Duct Bank. The scope addition was initiated with Austin Energy to support capital improvements for the Brazos Street Electric Duct Bank project, a critical underground electric infrastructure project that connects the future Rainey Street Substation to downtown Austin. The scope addition includes design, permitting, and bid services for the portion of the electric duct bank that overlaps with the Creek Delta

project limits. Public funding sources allocated and encumbered for the Creek Delta CD Phase Plan include:

- PARD Parkland Mitigation Funds
- WPD Drainage Utility Fund
- WPD Riparian Zone Mitigation Fund (RZMF)
- WPD Certificates of Obligation
- Austin Energy Distribution Fund

Addendum Two to the Creek Delta CD Phase Plan was recently approved by the LGC on May 13, 2020. Addendum Two did not increase the overall budget but instead, redistributed funding sources between WPD and WGC. Addendum Two provided \$286,911 of additional WPD funding and reducing WGC’s funding commitment by the same amount. The WPD funding sources included Riparian Zone Mitigation Fund (RZMF) and WPD Drainage Utility Fund. This adjustment was needed in response to financial impacts on WGC due to the COVID-19 crisis.

The exhibit below outlines the budget progression for the Creek Delta Construction Document Phase Plan (does not include previous design phase plans for Schematic Design and Design Development).

Exhibit B: Waller Creek Delta Construction Document Phase Plan Budget Progression

Phase Plan (Approval Date)	COA	WGC	TOTAL
Creek Delta Construction Documents (Jun 19)	\$3,177,415	\$560,720	\$3,738,135
Addendum One: AE Duct Bank (Nov 19)	\$154,982	\$0	\$154,982
Addendum Two: Budget Contribution Split (May 20)	\$286,911	(\$286,912)	\$0
Total by Funding Source	\$3,619,309	\$273,808	\$3,893,117

Creek Delta Schedule

The Creek Delta CD Phase Plan is in progress and 90% construction documents are currently in development. Once completed, the next steps include completing 100% construction documents and initiating the bid phase (currently anticipated in November 2020). The project initially involved a Construction Manager at Risk (CMAR), however, the project is now planning to use a Competitive Sealed Proposal (CSP). Notice to proceed for the construction is anticipated by Spring 2021.

PALM PARK UTILITY RELOCATION

The historic Palm Park will be revitalized as part of the Design Plan for the Waller Creek District, providing a critical eastern gateway. The design concept envisions Palm Park as a family gathering place nestled in downtown with views of Waller Creek and historic oak trees, adjacent to the historic Palm School. The park will reflect the history and heritage of the Mexican-American community that resided nearby and used the park since its inception. Once complete, the 2.5-acre park will again serve as an essential community gathering space on the eastern side of downtown.

As a critical first step, current efforts are focused on relocating the overhead utilities along Waller Creek underground in order to beautify the park space and prepare for future park plans. This also aligns with the City’s effort to relocate aboveground utilities where possible in Downtown.

The Palm Park Utility Relocation scope of work is funded in full by WGC. No public funds will be contributed toward this effort.

Currently, the Palm Park Utility Relocation Phase Plan is under design and in permitting. Utility construction is anticipated to be completed prior to the commencement of Creek Delta construction.

Should you have any questions, please contact Kimberly (512-974-6722) or Jorge (512-974-3438).

cc. Mike Kelly, Assistant Director, Watershed Protection Department
Liana Kallivoka, Assistant Director, Parks and Recreation Department
Kristin Pipkin, Program Manager, Watershed Protection Department
Lisa Storer, Project Manager, Parks and Recreation Department

Exhibit C. Waller Creek District Project Areas included in the TIRZ No. 17 Project Plan approved by City Council on May 24, 2018.

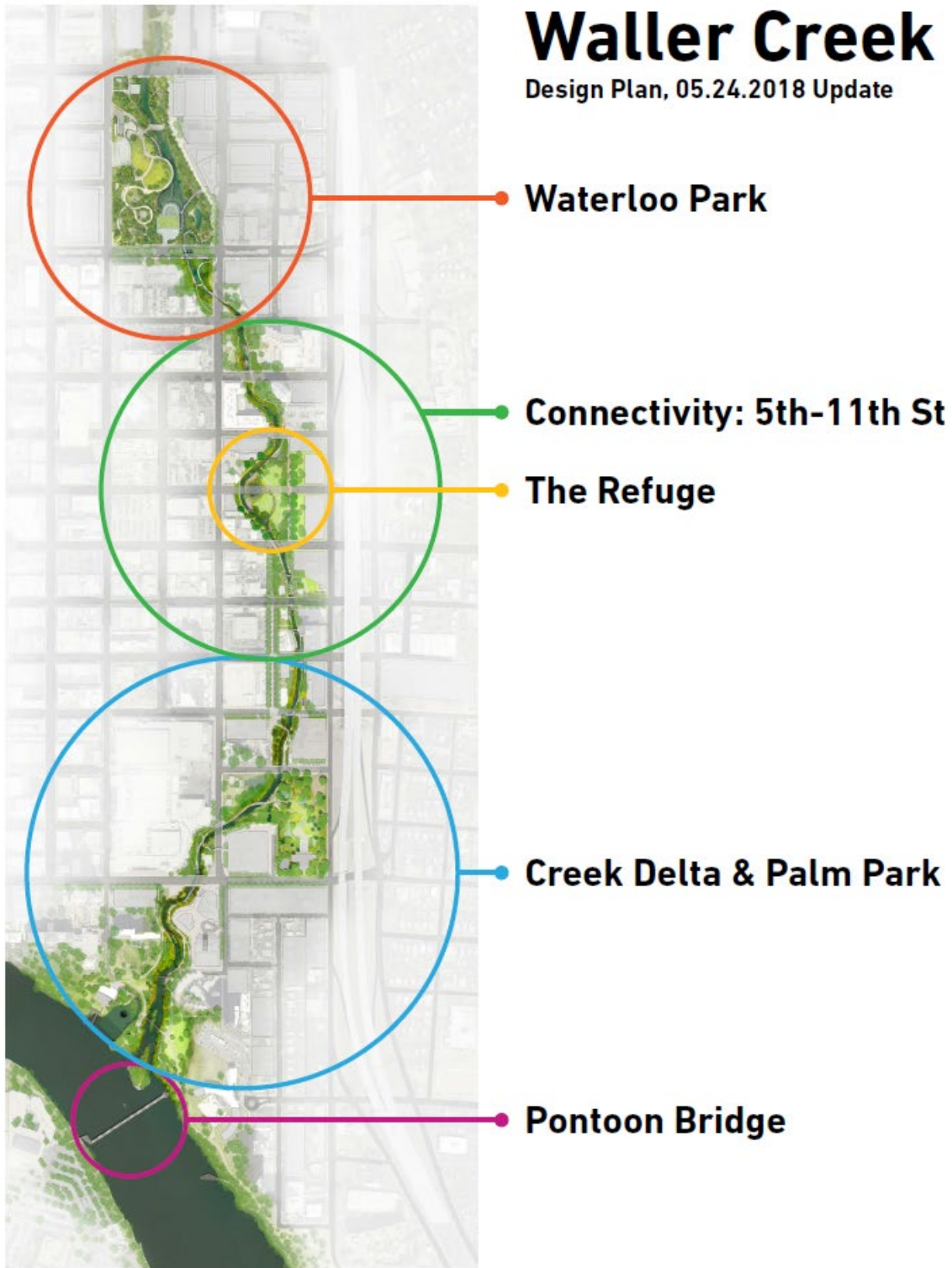


Exhibit D. Waterloo Park Rendered Site Plan, including the Moody Amphitheater



Exhibit E. Creek Delta Rendering Between Cesar Chavez and Lady Bird Lake

