



# **SOUTH CENTRAL WATERFRONT**

## Austin Economic Development Corporation

DECEMBER 21, 2020

SCWAB Update - AEDC |





# Update: Austin Economic Development Corporation

- City Council approved the creation of the AEDC in Resolution No. 20201001-055
- AEDC Major Projects
  - South Central Waterfront
  - Cultural Trust
  - Huston-Tillotson Master Planning Support
  - International Investment Fund
- Ongoing City-Wide Projects
  - Support on P3 negotiations
  - Public Pipeline Coordination
- Other Projects as directed by Council

# Public Real Estate Developer

- **Why? A public developer can...**
  - Move at the pace of the market
  - Speed approvals, but with the direct oversight of the City
  - Reduce the burdens of government with new funding sources
  - Own and operate real estate to generate cash
  - Accept charitable donations
  - Accept investment dollars
  - Blend the best of public and private deal-making
  - Generate more money for COA from under-performing real estate



# South Central Waterfront

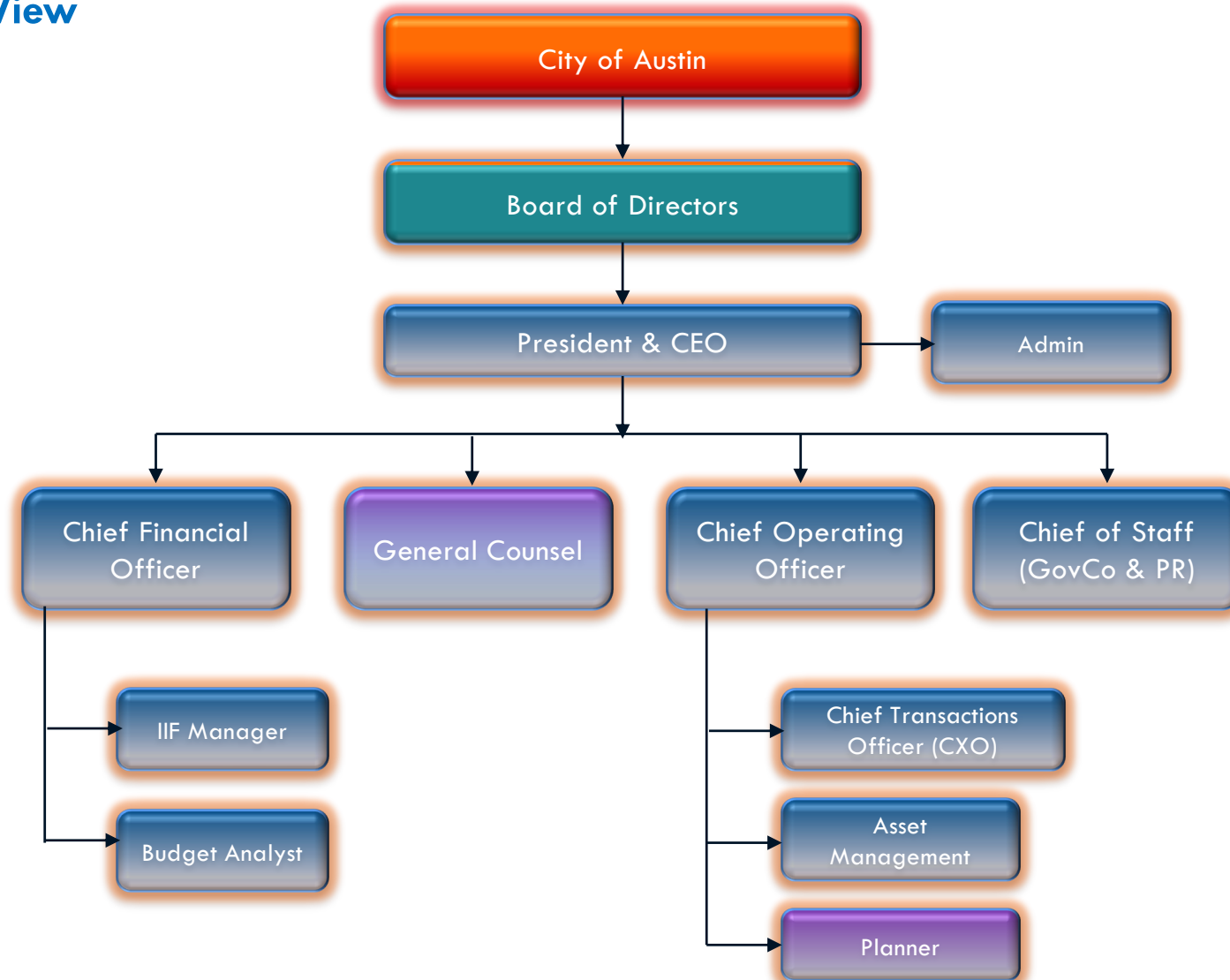
**Purpose: Manage P3 Negotiations, Regulating Plan and TIF/TIRZ**



Multiple South Central Waterfront plans have called for the creation of a dedicated local government corporation to manage the implementation of the plan and serve as a steward for the project over the next 20 years – we propose that is Austin Economic Development Corporation.

# AEDC Organizational Chart

Three Year Stabilized View





# AEDC – COA Master Contract

AEDC will propose an annual contract, becoming a public developer on behalf of COA



## ▪ Real Estate Projects (Three Types)

- **Lease Administration:** *AEDC will manage properties on behalf of the City. The City will retain title. AEDC will be paid out of proceeds from the property and will follow all City rules for procurement and disposition. The City retains title.*
- **Transaction Support:** *AEDC will perform a transaction (lease, sale, purchase) on direction from the City. AEDC will follow all City procurement and disposition requirements, as applicable. AEDC must comply with all Texas law and will obtain appropriate licenses and certifications including a Broker's license. AEDC will never have any property interest. Payments to AEDC will be made from the transaction.*
- **Public Development:** *The transfer of property to AEDC will be done with an explicit contractual requirement to achieve a public purpose. AEDC will take title to the property. However, if AEDC does not use the property for the public purpose, the City will revert the property. If AEDC must abide by all City procurement rules, even should it determine to perform a further disposition—any such further disposition must still comply with achieving the public purpose.*

## ▪ Contracts for Services:

- COA directs AEDC to provide services to reduce the burdens of government. These services can be paid for directly via contract, or can be funded as offsets to rent, real estate or other payments due from AEDC to COA.
- A Master Development Agreement for the SCW will be proposed by AEDC to the City Council in February 2021.

## ▪ AEDC will provide a detailed, public annual report to COA



# South Central Waterfront

## Status Update



### ■ Process

- Weekly task work meeting with City
- Monthly Advisory Board Meeting: SCWAB

### ■ Tasks

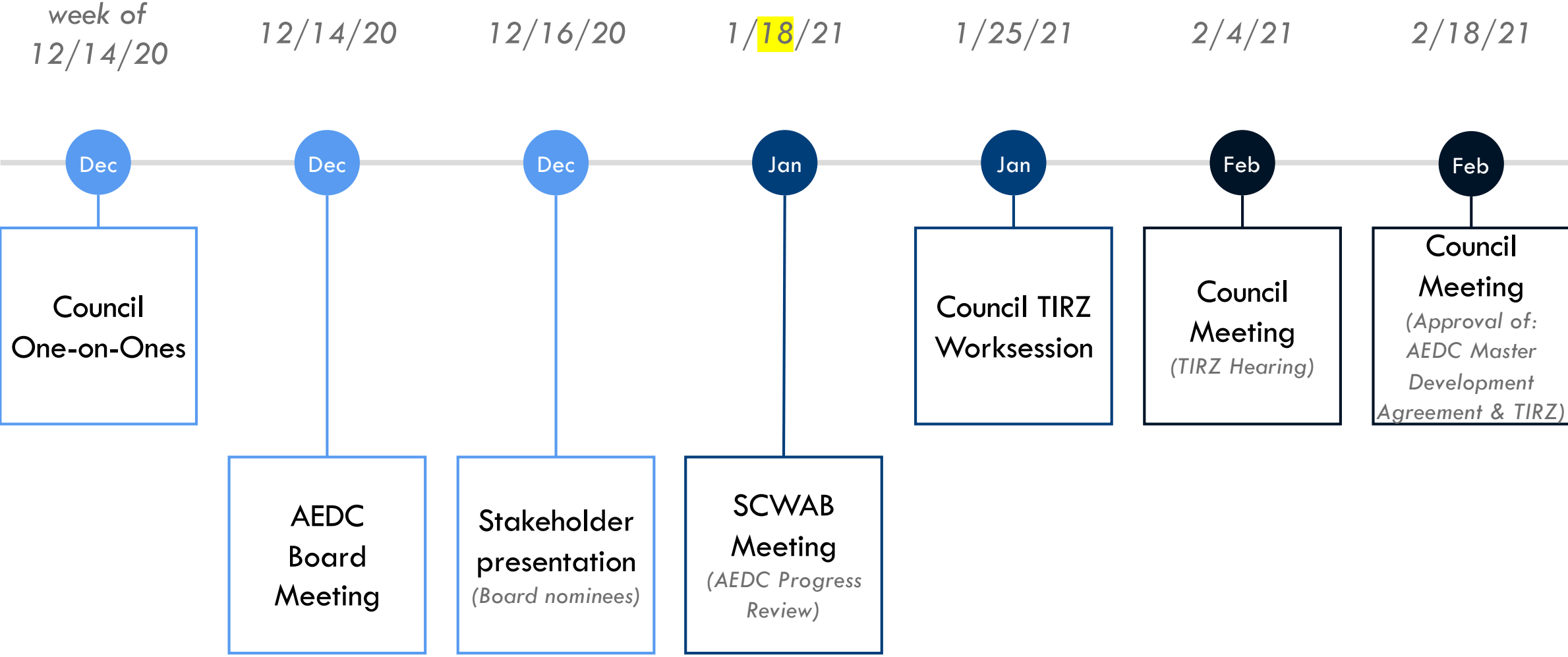
- Evaluate previous analysis and precedent documents
- Investigate and call the question on the “but for” case
- Determine options for Statesman (with and without TIF)
- Determine policy outcomes (affordable housing, infrastructure) with/without TIF
- Engage as directed by Finance with outside market research & municipal advisors
- Enter into a Master Development Agreement with COA to manage the district

### ■ Outcomes

- Statesman recommendation
- TIRZ Feasibility recommendation
- Proposal for Master Development Agreement



# Proposed Timeline & Next Steps





# Proposed Timeline & Next Steps

- **Week of Dec 14<sup>th</sup>** AEDC Board Meeting  
Stakeholder Meetings
- **December 21<sup>st</sup>** SCWAB Meeting
- **January 18<sup>th</sup>** SCWAB Meeting (Estimated)
- **January 25<sup>th</sup>** Council work session on “but-for”
- **January 27<sup>th</sup>** Council Meeting
- **February 4<sup>th</sup>** (Potential) TIRZ hearing
- **February 18<sup>th</sup>** (Potential) Vote on TIRZ & MDA with AEDC
- **March** Complete Statesman negotiation & infrastructure plan
- **Feb – May** Finance & municipal advisor diligence
- **April – May** AEDC negotiations with individual landowners
- **May 2021** Earliest Potential Bond Vote (if TIF is selected)



