

**Exclusive Negotiating Agreement with  
Aspen Heights Partners for  
Redevelopment  
1215 Red River & 606 East 12<sup>th</sup> Streets  
(former HealthSouth property)**

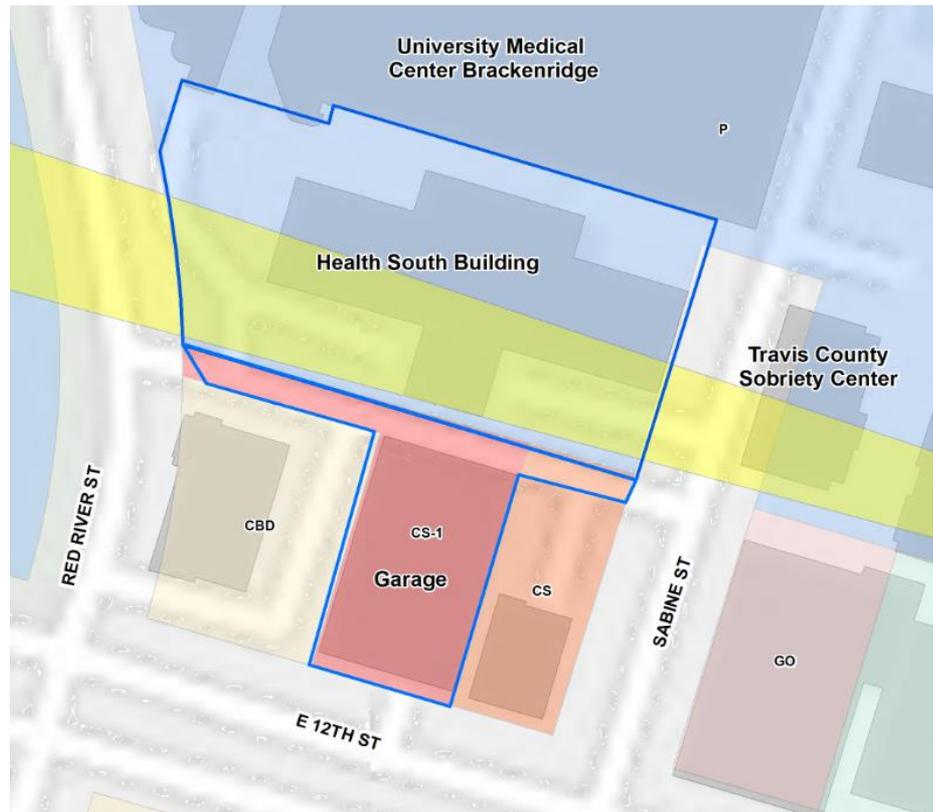
**Council Work Session  
May 18, 2021**



**Economic  
Development**  
CITY OF AUSTIN

# AGENDA

- CITY TEAM
- BACKGROUND
- ENA HIGHLIGHTS
- NEXT STEPS



# CITY NEGOTIATING TEAM

## Housing and Planning Department

Mandy DeMayo, Community Development Administrator

## Office of Real Estate Services

Marek Izydorczyk, Real Estate Services Program Manager

## Law Department

Ron Pigott, Assistant City Attorney

## Economic Development Department

Margaret Shaw, Economic Development Program Manager

Susana Carbajal, Assistant Director

# BACKGROUND

- October 4, 2018  
to Council passed **Resolution 20181004-042** directing the City Manager (1) initiate solicitation for the redevelopment of 1215 Red River and 606 East 12<sup>th</sup> Streets for mixed-income housing with an emphasis on multiple-bedroom housing for households earning at or below 60% of MFI on site with option to provide affordable units within one mile of downtown and (2) ensure certificates of obligations are addressed.
- November 18, 2019 Request for Proposals (RFP) issued; Purchasing Department notified 278 vendors, including affordable housing developers.
- April 23, 2020 RFP closed; Purchasing Department received four proposals.
- November 6, 2020 Purchasing announced proposal rankings with Aspen Heights Partners receiving highest total score.
- January 27, 2021  
Negotiating  
community Council authorized staff to negotiate and execute Exclusive Agreement with Aspen Heights Partners including certain benefits stated in the Council meeting.
- May 14, 2021 City and Aspen Heights Partners execute ENA providing a baseline for the terms governing the negotiation of a master development agreement for the redevelopment of the former HealthSouth property located on 1215 Red River and 606 East 12th Streets.

# ASPEN HEIGHTS

“12<sup>th</sup> & Red  
River: Tying  
Austin  
Together”



## Local Team

- Aspen Heights (developer)
- STG Design (architecture)
- Civiltude (engineering)
- Studio Balcones (landscape architecture)

# ENA HIGHLIGHTS

- ✓ 25% to 45% mixed-income rental housing focusing on family-oriented multi-bedroom (2 and 3 bedrooms) housing for households earning at or below 60% MFI
- ✓ High-quality, affordable childcare on site
- ✓ Live music and art venue space, prioritizing historically disenfranchised artists
- ✓ Developer may purchase and/or lease property from City
- ✓ Source of income protection by accepting housing choice vouchers
- ✓ Recruit and lease local businesses, including retailers, grocers, and restaurants
- ✓ Public access to the viewing deck
- ✓ Public access to open space and/or green space, which may include an aquatic amenity
- ✓ Learning spaces, computer labs, and other spaces with technological resources
- ✓ Applicability of OSHA requirements, prevailing wage rates, environmental design requirements, and rest breaks



# NEXT STEPS

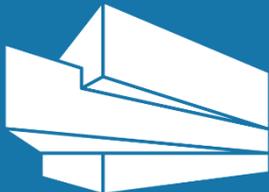
- Commence negotiations with Aspen Heights for the master development agreement (MDA)
- Brief the Community Development Commission and Design Commission on proposed MDA terms
- Seek public feedback
- Present proposed MDA terms to Council prior to execution

# Questions?

## Thank you.



**Economic  
Development**  
CITY OF AUSTIN



**Redevelopment**  
CITY OF AUSTIN  
ECONOMIC  
DEVELOPMENT