



City of Austin

Founded by Congress, Republic of Texas, 1839
Watershed Protection Department
P.O. Box 1088, Austin, Texas 78767

January 18, 2023

Jesus Aguirre
Waterloo Greenway Conservancy
1111 Red River Street
Austin, Texas 78701

Subject: Funding Letter for The Confluence (formerly Creek Delta) Construction Phase Plan
CIP Project No. 12861.002

Dear Mr. Aguirre:

The City of Austin (City) will contribute an amount not to exceed **\$71,277,079** toward Addendum Five to The Confluence (formerly Creek Delta) Construction Phase Plan (Phase Plan) scope of work. The funding sources for the total not to exceed amount include Watershed Protection Department (WPD) funds (\$52,545,104), Development Services Department (DSD) funds (\$5,266,185), Parks and Recreation Department funds (\$2,310,772), Austin Energy funds (\$1,330,018), Austin Convention Center funds (\$500,000), and Austin Water funds (\$300,000).

WPD funding will be provided via the Creek Delta Link tax increment financing fund (TIF), Drainage Utility Fund (DUF), Certificates of Obligation (CO), Riparian Mitigation Zone Fund (RZMF), Urban Structural Control Fund (USCF), and federal funding from the United States Army Corps of Engineers (USACE). TIF must only be used for project costs as authorized by Chapter 311 of the Texas Tax Code and the Tax Increment Financing Zone No. 17 Financing Plan as approved by Council on May 24, 2018. DUF is drainage utility revenue restricted for purposes directly related to WPD's mission and operations as the City's Municipal Drainage Utility System, in accordance with State law. CO hold the same restrictions as the DUF as they were established for the purpose of drainage utility operations. RZMF hold the same restrictions as the DUF and are also limited to the urban regulatory area where the revenue was received. USCF is restricted for purposes related to stormwater control measures and water quality improvements. USACE federal funding is restricted for the purposes defined in the Project Partnership Agreement (PPA) between USACE and the City effective on September 30, 2022.

DSD Community Tree Preservation Division funding will be provided via the Urban Forest Replenishment Fund through an interdepartmental funding transfer to WPD. All DSD funds must be used in accordance with the Environmental Criteria Manual (ECM) Section 3.5.4 which includes tree purchases, tree care and protection, invasive species removal, and soils.

PARD funding will be provided via the 2012 General Obligation Bonds (Bond), Parkland Mitigation Fund, and Parkland Dedication Fund. Bond funding via the voter-approved 2012 Bond Program – Proposition 14 must be restricted for program and projects included in the proposition language and for expenses allowed by accounting rules associated with long-term debt. Parkland Dedication Fund must only be utilized for new construction to enhance or expand the



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recreational value of the park system and for the purposes related to Lattice Bridge No. 3 outlined in the Memorandum of Understanding (MOU) between the City and Waterloo Greenway Conservancy (WGC) fully executed on December 26, 2022.

Austin Energy (AE) funding will be provided via the AE Distribution Fund which are utility revenues and commercial paper, restricted for purposes directly related to AE's mission and operations as the City's energy provider, in accordance with State law. Austin Convention Center (ACC) funding will be provided via the Convention Center Capital Improvement Project Fund, consisting of Convention Center Revenues, Hotel Occupancy Tax, and revenue bonds, funds must be restricted for purposes directly related to the operations of the Convention Center in accordance with all state statutes governing the sources of funds and the purposes related to the ACC water quality pond outlined in the MOU between ACC, WPD, and WGC fully executed on October 18, 2022. Austin Water (AW) funding will be provided via utility rate revenues, restricted for purposes directly related to AW's mission and operations as the City's water provider.

All invoices submitted for the Phase Plan must only be for services that maintain the City's compliance with the listed restrictions. In coordination with WGC, invoices submitted to the City for completed work will be reviewed by the City to ensure alignment with both restrictions on uses of funds and agreed upon scope of work for the Phase Plan. Upon approval, the City will issue timely payments for the full invoice amounts. Payments to Jay-Reese Contractors, Inc., Michael Van Valkenburgh Associates, Inc. and associated subconsultants, and Atlas will be the sole responsibility of the City. WGC's funding commitment will be reimbursed to the City on the schedule outlined in The Confluence Funding MOU between the City and WGC fully executed on July 1, 2022. Any request for change will require an amendment to the approved project and require approval of the Proposing Party and the Responding Party.

Should you have any questions, please contact the appropriate City staff in the Waller Creek District Program.

Sincerely,

Scott Lookabaugh

Scott Lookabaugh, Financial Analyst III
Watershed Protection Department
512-974-7283

Steven Linett, Capital Improvement Program Manager
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512-974-9321