ORDINANCE NO. 20260924-083

AN ORDINANCE AMENDING ORDINANCE NO. 020801-15 APPROVING THE FOURTH AMENDMENT TO THE DEVELOPMENT AGREEMENT BETWEEN CITY AND CIRCLE C LAND, L. P. AND AUTHORIZING THE EXECUTION OF THE FOURTH AMENDMENT.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. Findings.

(A) City Council approved a settlement agreement which was memorialized as a Development Agreement between City of Austin and Circle C Land, L.P., on August 1, 2002, under Ordinance No. 020801-15.

(B) The Development Agreement is dated effective August 15, 2002, and was recorded in Document No. 2002151984, of the Real Property Records of Travis County, Texas and in Document No. 02022402, of the Real Property Records of Hays County, Texas (the "Development Agreement").

(C) The Development Agreement was originally amended by First Amendment to Development Agreement dated June 21, 2004, recorded in Document No. 2004135909, of the Real Property Records of Travis County, Texas, and Second Amendment to Development Agreement dated November 9, 2004, recorded in Document No. 2004236024, of the Real Property Records of Travis County, Texas, and Third Amendment to Development Agreement dated March 2, 2005,, recorded in Document No. 2005054993 of the Real Property Records of Travis County, Texas (collectively, the "Development Agreement as amended").

PART 2. City Council approves the Fourth Amendment to the Development Agreement as amended attached as **Exhibit "A"** and incorporated into this ordinance (the "Fourth Amendment").

PART 3. Ordinance No. 020801-15 is amended to incorporate the Fourth Amendment and City Council authorizes the City Manager or the City Manager's designee to execute the Fourth Amendment.

PART 4. This ordinance takes effect on October 5, 2026.

PASSED AND APPROVED

September 24, 2026

§
§
§

Kirk Watson
Mayor

APPROVED: Deborah Thomas
Deborah Thomas
City Attorney

ATTEST: Stephanie Hall for
Erika Brady
City Clerk

EXHIBIT "A"

STATE OF TEXAS	§
	§
COUNTIES OF TRAVIS	§
AND HAYS	§

FOURTH AMENDMENT TO DEVELOPMENT AGREEMENT

THIS FOURTH AMENDMENT TO DEVELOPMENT AGREEMENT (this "**Fourth Amendment**") is entered into as of the ___ day of _____, 2026, by and between the **CITY OF AUSTIN**, a home rule city and municipal corporation located in Travis, Hays and Williamson Counties in the State of Texas (the "**City**") and **CIRCLE C LAND, L.P.**, a Texas limited partnership, formerly known as Circle C Land Corp., a Texas corporation ("**CCLC**"). The City and CCLC, collectively referred to as the "**Parties.**"

RECITALS

A. The Parties entered into that certain Development Agreement dated effective August 15, 2002, recorded in Document No. 2002151984 of the Real Property Records of Travis County, Texas and recorded in Document No. 02022402 of the Real Property Records of Hays County, Texas (the "Development Agreement").

B. The Development Agreement was amended by First Amendment to Development Agreement dated June 21, 2004 and recorded in Document No. 2004135909 of the Real Property Records of Travis County, Texas, by Second Amendment to Development Agreement dated November 9, 2004, recorded in Document No. 2004236024 of the Real Property Records of Travis County, Texas, and by Third Amendment to Development Agreement dated March 2, 2005, recorded in Document No. 2005054993 of the Real Property Records of Travis County, Texas (collectively, the "Development Agreement as amended").

C. The Development Agreement as amended establishes limits on the development density on the Land for Office, Retail, Residential and Multi-Family Residential Development as more particularly described and defined therein.

D. CCLC, as of the date hereof, is the sole Landowner for Parcel 110, commonly referred to as Tract 110, being more particularly described on Exhibit "A", attached hereto and incorporated herein for all purposes (the "CCLC Parcel").

E. The CCLC Parcel is currently allocated 36 Residential Living Units, 56 Multi-Family Units Residential Living Units, 9,985.50 square feet of Net Floor Area of Retail and 651,000 square feet of Net Foor Area of Office.

F. CCLC desires to modify the development density and allocations applicable to the CCLC Parcel by eliminating all permitted Net Floor Area of Office Development, increasing permitted Residential Living Units and Multi-Family Residential Living Units, and

removing requirements related to the design and construction of a South Bay Road extension for the CCLC Parcel as more particularly described below.

G. CCLC anticipates developing the CCLC Parcel with one or more multi-family residential projects.

H. The Development Agreement may be amended by mutual agreement of the City and the Landowner to whose Parcel such amendment relates as set forth in Section 17.10 thereof.

I. The Parties have agreed to amend the Development Agreement accordingly as more particularly described herein below.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and CCLC agree as follows:

1. Recitals Incorporated. The above recitals are incorporated herein for all purposes.

2. Capitalized Terms. Any capitalized term that is used herein and is not otherwise defined herein shall have the meaning that is ascribed to it elsewhere in the Development Agreement.

3. Reallocation of Development Density. As of the date hereof, the development allocation of 651,000 square feet of Net Floor Area of Office for the CCLC Parcel is modified to zero square feet with the addition of 1,000 Residential Living Units and 1,000 Multi-Family Residential Living Units. The resulting development allocation for the CCLC Parcel is as follows:

Office	0 square feet of Net Floor Area
Retail	9,985.50 square feet of Net Floor Area
Residential	1,036 Residential Living Units
Multi-Family	1,056 Multi-Family Residential Living Units.

Any future re-allocation of Development Density for CCLC Parcel is subject to the terms and provisions of the Development Agreement.

4. Development Density. In order to reflect the conversion of development density set forth above, the total permitted density indicated in the first full paragraph of Section 6.1A of the Development Agreement is amended as follows:

> **6.1.A. Development Density**. The maximum aggregate amount of development density permitted on the Land with respect to certain project types is as follows ("**Total Permitted Density**"):

Office	99,000 square feet of Net Floor Area
Retail	410,000 square feet of Net Floor Area
Residential	2,334 living units

Multi-Family Residential 1,504 living units

5. Construction of Extension of South Bay Road. Section 12.6 is deleted in its entirety and replaced as follows:

12.6. Any provision of the Development Agreement as amended notwithstanding, a subdivision, site plan, or other development permit ("Permit") for the CCLC Parcel shall be subject to review for compliance with the Austin Strategic Mobility Plan (ASMP), and applicable rules, regulations, and ordinances of the City in effect on the date of filing.

6. Transportation Improvements.

a. Landowner will conduct a Traffic Impact Analysis (the "TIA") and provide the TIA to the City concurrent with Landowner's submission of the first site development permit on the CCLC Parcel. The TIA will provide the information as required by City Code Chapter 25-6 (*Transportation*) in effect as of the date of this Fourth Amendment and shall additionally study the minimum following items:

i. Necessity of a traffic signal located at the intersection of La Cross Avenue and Dahlgreen Avenue;

ii. Traffic reduction solutions for Dahlgreen Avenue;

iii. Feasibility of a shared use path along Dahlgreen Avenue; and

iv. Driveway access requirements for Dahlgreen Avenue.

b. If the Director of Austin Transportation and Public Works ("TPW Director") determines the TIA warrants a traffic signal at La Cross Avenue and Dahlgreen Avenue (the "Traffic Signal"), the TPW Director shall notify the Landowner in writing ("TPW Director Determination"). Following TPW Director providing the TPW Director Determination to the Landowner, the Landowner shall fully fund and construct the Traffic Signal prior to issuance of the first certificate of occupancy, temporary or permanent, on the CCLC Parcel. This obligation shall be inclusive of traffic impact fee requirements.

c. If the TPW Director determines the TIA warrants a shared use path along Dahlgreen Avenue (the "Shared Use Path"), the TPW Director shall include this determination in the TPW Director Determination. Following TPW Director providing the TPW Director Determination to the Landowner, the Landowner shall dedicate to the City the portion of the CCLC Parcel required for the Shared Use Path prior to issuance of the first certificate of occupancy, temporary or permanent, on the CCLC Parcel.

d. The TPW Director shall consider the TIA and determine appropriate driveway access requirements for Dahlgren Avenue ("Dahlgreen Avenue Requirements"), including the following, in descending order of preference, for the CCLC Parcel:

i. Emergency Vehicle Ingress and Egress Only. Prohibiting all non-emergency vehicular ingress and egress from the CCLC Parcel to Dahlgreen Avenue and requiring other appropriate traffic reduction solutions as determined by the TPW Director; or

ii. Non-Emergency Vehicle Egress Only. Including the conditions of Paragraph 6.d.i. above, non-emergency vehicles may only egress from the CCLC Parcel to Dahlgreen Avenue; or

iii. Time Restricted Access. Ingress and egress from the CCLC Parcel to Dahlgreen Avenue open to all vehicular traffic with potential restrictions for all non-emergency vehicle access during certain days or times, which may include peak traffic conditions, restricted access on school days, or hourly restrictions based on increased traffic conditions including student drop-off and pick-up schedules, as determined by the TPW Director; and

iv. Landowner shall install and complete Dahlgreen Avenue Requirements prior to issuance of the first certificate of occupancy, temporary or permanent, on the CCLC Parcel.

7. Parkland.

a. Any provision of the Development Agreement as amended notwithstanding, Landowner may not fully satisfy parkland dedication requirements on the CCLC Parcel through use of fee in lieu of parkland dedication or other credits. Parkland dedication requirements associated for development of the CCLC Parcel shall be either fully or partially satisfied on-site (the "CCLC Parcel Parkland").

b. CCLC Parcel Parkland shall be dedicated in fee simple to the City using a form of deed approved by the city attorney prior to issuance of the issuance of the first certificate of occupancy, temporary or permanent, on the CCLC Parcel.

c. Landowner shall design and construct a public trail network for the CCLC Parcel Parkland ("Public Trail Network"). All trails as part of the Public Trail Network will be at least 10 feet wide with total length of Public Trail Network established as part of Landowner design and subject to approval by the Director of Austin Parks and Recreation. The Public Trail Network will include access to the Valor South Austin Public Charter School.

d. The Public Trail Network shall be maintained by Landowner and meet all specifications required by City of Austin Standards Specification Manual Series 1300 – Item No. 1301S- Granite Gravel Hike and Bike Trail 8-16-04 in effect as of the date of this Fourth Amendment.

e. Landowner shall design, construct, and complete the Public Trail Network prior to dedication of CCLC Parcel Parkland.

8. Miscellaneous.

a. Entire Agreement. This Fourth Amendment, together with the Development Agreement, sets forth the entire understanding of the Parties and supersedes all prior agreements or understandings, whether written or oral, with respect to the subject matter hereof.

b. Binding Effect. This Fourth Amendment will extend to and be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns and will run with the CCLC Parcel.

c. Counterparts. This Fourth Amendment may be executed in two or more counterparts, each of which will be deemed an original, which together will constitute one in the same agreement.

d. Governing Law. This Fourth Amendment will be governed by and construed in accordance with the laws of the State of Texas.

IN WITNESS WHEREOF, the Parties have caused this Fourth Amendment to be executed as of the date and year first above written.

(remainder of this page intentionally left blank, signature pages follow)

CIRCLE C LAND, L.P., a Texas limited partnership

By: CIRCLE C GP, L.L.C., a Delaware
limited liability company,
General Partner

By: STRATUS PROPERTIES INC., a
Delaware corporation,
Sole Member

By:_____
Erin C. Pickens,
Senior Vice President

STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the ____ day of _____, 2026, by Erin D. Pickens, Senior Vice President of Stratus Properties Inc., a Delaware corporation, Sole Member of Circle C GP, L.L.C., a Delaware limited liability company, General Partner of Circle C Land, L.P., a Texas limited partnership, on behalf of said corporation, limited liability company and limited partnership. Such person is personally known to me or produced a state issued driver's license as identification and did take an oath.

_____
Notary Public, State of Texas
My Commission Expires: _____
Printed Name of Notary:_____

THE CITY OF AUSTIN,
a Texas municipal corporation

By: _____
Name: _____
Title: _____
Date :_____

STATE OF TEXAS §
COUNTY OF TRAVIS §

Before me, the undersigned notary, on this day personally appeared _____, of the City of Austin, a Texas municipal corporation, known to me through valid identification to be the person whose name is subscribed to the preceding instrument and acknowledged to me that the person executed the instrument in the person's official capacity for the purposes and consideration expressed in the instrument.

Given under my hand and seal of office on ____ _____, 2026.

[Seal]

_____
Notary Public, State of Texas

APPROVED AS TO FORM:

_____
Assistant City Attorney

CONSENT AND SUBORDINATION OF MORTGAGEE

Comerica Bank, a Texas banking association, is the legal owner and holder of (i) that certain Amended and Restated Revolving Promissory Note in the original principal sum of $60,000,000.00, (executed by Stratus Properties Inc., Stratus Properties Operating Co., L.P., Circle C Land, L.P., Austin 290 Properties, Inc., Overlook at Amarra, L.L.C. (now known as Villas at Amarra Drive, L.L.C.) and Stratus Lakeway Center, L.L.C., a Texas limited liability company, and payable to the order of Comerica Bank, which note is secured by, among other things, a deed of trust lien granted in a deed of trust dated as of June 29, 2018, from Circle C Land, L.P. to Brian P. Foley, Trustee for Comerica Bank, recorded under Document No. 2018103077, Official Public Records of Travis County, Texas, as modified and/or extended by instruments of record under Document Nos. 2020097580, 2022087674, and 2025031497, Official Public Records of Travis County, Texas (collectively, the "Deed of Trust").

Comerica Bank hereby joins in this Utility Easement for the sole purpose of consenting to the Fourth Amendment to Development Agreement and subordinating the Deed of Trust and all other liens it may have securing such indebtedness to this Fourth Amendment Development Agreement. The undersigned has the authority to execute this Consent and Subordination on behalf of Comerica Bank and represents, in that regard, that all necessary action has been taken by Comerica Bank to make this a binding Consent and Subordination.

COMERICA BANK,
a Texas banking association

By: _____
Printed Name: _____
Title: _____

THE STATE OF TEXAS §
COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2025, by _____, _____ of Comerica Bank, a Texas banking association, on behalf of said banking association.

_____
Notary Public Signature

(seal)

EXHIBIT "A"

CCLC PARCEL

Being all of that certain tract or parcel of land containing 246.389 acres. more or less, situated in the Samuel Hamilton Survey No. 16, Abstract No. 340, Travis County, Texas, said tract referred to as Tract 110 and being more particularly described by metes and bounds in the Development Agreement dated effective August 15, 2002 between Circle C Land Corp. and the City of Austin and recorded under Document No. 2002151984, Official Public Records of Travis County, Texas and under Document No. 02022402, Official Public Records of Hays County, Texas, as amended from time to time.

SAVE AND EXCEPT the following parcels created by prior appropriations:

1. Fire Station Site pursuant to Apportionment of Development Allocation dated August 23, 2002;

2. Parcel 110B-South Bay pursuant to Apportionment of Development Allocation dated November 22, 2002; and

3. Parcel 110-LCRA Substation Site pursuant to Apportionment of Development Allocation dated February 14, 2007.

4. Parcel 110 – La Crosse Parcel pursuant to Apportionment of Development Allocation dated September 28, 2011; and

5. Parcel 110 – Child Development Center pursuant to this Apportionment of Development Allocation dated March 28, 2017