



**ADDENDUM  
PURCHASING OFFICE  
CITY OF AUSTIN, TEXAS**

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**Solicitation: RFP 5500 SMW3002    Addendum No: # 4    Date of Addendum: February 07, 2020**

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This addendum is to incorporate the following changes to the above referenced solicitation:

**I. Additional Information:**

- A. The Pre-Proposal Conference Sign-In Sheet is attached. To watch the January 14, 2020 pre-proposal conference, click: <http://austintx.swagit.com/play/01142020-2015>
- B. Links to City Council deliberations regarding the former HealthSouth site are hereby added for informational purposes:
  - 1. Posted documents for Council discussion and action:  
<http://www.austintexas.gov/department/city-council/2018/20181004-reg.htm#042>
  - 2. To watch Council deliberations on October 4, 2018, click on Item 42:  
<http://austintx.swagit.com/play/10042018-575/0/>

**II. Questions:**

**Q1. Will the Development Services Department (DSD) be giving the height and density restrictions?**

A1. Addendum 2.2 provides the Capital View Corridor (CVC) General Determination for 1215 Red River with elevation values. The garage parcel is not within a CVC.

**Q2. Was the affordable housing percentage 15% or 50%?**

A2. The RFP requires all proposals to incorporate some number of multi-bedroom housing for residents earning at or below 60% median family income (MFI) on site; after doing so, proposers may include an option to provide additional affordable housing units at or below 60% MFI off-site, preferably within one mile. The overall quality and quantity of the affordable housing will be considered by the evaluation panel. The site is eligible for the Downtown Density Bonus Program, which allows applicants to meet specific community benefit requirements and provide affordable housing on site or pay a development bonus fee. Because the City Council placed specific and separate affordable housing requirements on this site, the RFP supersedes the Downtown Density Bonus Program's affordable housing requirements.

**Q3. Once the zoning is decided, will the COA initiate the process and take it all the way through? How much is the developer involved?**

A3. The City anticipates that the successful proposer will wish to amend the current zoning for at least a portion of the site, if not the entire site. The City will work with the successful proposer to ensure

the zoning requested is appropriate for proposed uses and initiate a rezoning case at City expense. Technically this is done by staff asking the City Council to initiate a zoning case. There would be no expense to the bidder. How long it would take to complete the case, however, is unknown yet at least several months.

During the preproposal conference, the City's Assistant Director of the Planning and Zoning Department, Jerry Rusthoven, clarified that the building site is currently zoned Public (P) which is intended for public uses and does not allow for residential uses. The garage site is zoned Commercial-Liquor Sales (CS-1) with a portion of the site under General Office (GO) and the Criminal Justice Overlay. He noted that Commercial Business District (CBD) zoning allows for residential and commercial uses and sets a Floor to Area Ratio (FAR) of 8:1. This particular parcel is eligible for the Downtown Density Bonus Program which allows for a 15:1 FAR in exchange for benefits under Austin City Code 25-2-586. Because the City Council placed specific and separate affordable housing requirements on this site, the RFP supersedes the Downtown Density Bonus Program's affordable housing requirements.

**Q4. Has there been any thoughts of vacating the existing alleyway?**

A4. The City has not contemplated vacating the alley.

**Q5. The rezoning is including the CS-1 portion as well, not just the P?**

A5. It is up to each proposer to determine the zoning category(s) that best meets their redevelopment vision. The City anticipates that the successful proposer will wish to amend the current zoning for at least a portion of the site, if not the entire site. The City will work with the successful proposer to ensure the zoning requested is appropriate for proposed uses and initiate a rezoning case at City expense.

**Q6. Is there a uniform zoning strategy for the entire Central Health? The master plans went back and forth. So, this particular pursuit would only take into account this entire quadrant but not anything further north or east?**

A6. The City's rezoning case would only apply to the City-owned, former HealthSouth parcels. There is a proposal to create a Central Health Overlay District for the adjacent properties owned by Central Health. The proposed new land use rules for the former Brackenridge campus would allow Central Health's sites to exceed current Floor to Area Ratios in the Downtown Density Bonus program, rising to 25:1 from 15:1, in exchange for community and public health services. The new Overlay District was posted for a public hearing and possible Council action on January 23, 2020, Item #71; however, action was postponed to February 20, 2020. For more information, visit the January 23<sup>rd</sup> City Council Agenda, Item #71 <http://www.austintexas.gov/department/city-council/2020/20200123-req.htm#071>. The City-owned, former HealthSouth parcels are not included in the proposed Central Health Overlay District.

**Q7. Right now, any kind of density calculation we should assume based on just the current framework of CBD? Nothing more than that, correct? We would have to achieve the requirement of those bonuses the way it is written today for CBD?**

A7. Correct. Under Central Business District (CBD) zoning, the site is allowed an 8:1 FAR by right, and proposals could go to 15:1 FAR by meeting the requirements of the Downtown Density Bonus Program and of the RFP.

**Q8. If you look at the alignment of Red River, it's going to clip just sort of the odd portions of the site on the west. We should assume that portion cannot be developed, right?**

A8: Correct. Exhibit 13 includes engineering sketches for the realignment of Red River which shows approximately a quarter of an acre of the western portion of the HealthSouth building parcel will be

used for the new right of way and would not be developable. This new alignment will be reflected in a boundary survey of the former HealthSouth parcels expected to be released in early March.

**Q9: From a processing standpoint, if the two sites are separated by a right of way, it's basically two developments. You have to file two site plans for it and so on. There are no intentions of vacating the alley, but the developer could propose that alley be vacated to uniformly develop the two sites as truly one project? Or is that prohibited?**

A9: A partial vacation of the alley is not prohibited, yet the City would evaluate the request based on project's context. Standard City processes and fees for vacation of an alley would apply. Requests to shift trash collection, freight delivery, etc. into the public Right of Way, however, would not be accepted.

**Q10: The Brackenridge plan showed an alley on the southern portion and don't know how cast in concrete that is, but that could open the possibility of the north side of this site. Is there any possibility that could that be counted on?**

A10: RFP Exhibits 13 and 14 include information on Central Health's development plans for adjacent properties. Please contact Central Health for additional information.

**Q11: After someone goes under contract and for closing expectations, do you have any idea how much time you would give someone to close?**

A11: The timeframe and conditions on closing will be part of negotiations with the successful proposer.

**Q12: This project would need to go through the standard legal review with the COA? It wouldn't be a quick closing? We wouldn't close within 30 days of contracting?**

A12: The terms and timing of the lease or sale of the property is negotiated after City Council selects the preferred development team. Typically, it takes a while as both parties have actions to complete. The expectation is that we will select the best offer based on what is provided in submittals; however, negotiations on that offer continue -- from both sides -- because circumstances change. Thus, the City reserves the right to continue to negotiate terms after Council selection. That includes a legal review as well.

**Q13: We request clarification of the land area (site acreage and square footage) listed in the RFP (Solicitation Summary – Site). 1215 Red River Street is listed as 1.381 acres or 88,944 SF. Parking Garage is listed as 0.349 acres or 27,3232 SF. As an acre is 43,560 SF, we believe a conflict possibly exists in the area/s provided. Please clarify whether the acreage or square footage/s are correct.**

A13: The RFP references Travis County Appraisal District (TCAD) property information. TCAD #197049 shows the 1215 Red River site as 1.381 acres with building improvements of 88,944 SF. (NOTE: TCAD incorrectly lists the building street address as 601 East 15th.) TCAD Property #197040 shows the garage at 606 East 12<sup>th</sup> as 0.349 acres with improvements of 27,232 SF.

**Q14. What are the expectations of the respondent for participation in the cost of the proposed Red River realignment roadway and storm sewer improvements adjacent to the site (TURP Fees, etc.) Will respondents be expected to participate in the pro-rata cost of the improvements? (Included in Addendum #3)**

A14. The City's negotiations with Central Health on the realignment of Red River are on-going; therefore, any costs that may accrue to the former HealthSouth parcel have not been determined. To ensure a fair and equitable evaluation, all proposers should include \$12.2 million as a placeholder in their pro formas for City expenses related to the site. This includes \$3.5 million related to the realignment of Red River Street; the final figure may be less but will not be more than \$3.5 million. The balance -

- \$8.7 million – captures the City’s full cost related to acquisition. The actual figure will be part of discussion once the City enters exclusive negotiations with the successful proposer. Thus, the last sentence in Section 10.4.2.6 is amended to state: “In addition, the cash flow presented should anticipate inclusion of \$12.2 million for City expenses related to the site.”

**Q15: Please provide an Austin Energy contact to discuss the Northside Chilled Water plant in connection with the HealthSouth site development.**

A15: Due to this being an open solicitation covered by the City’s Anti-Lobbying Ordinance, all questions must be submitted in writing to the authorized contact person listed on the Solicitations cover page including any questions regarding the chilled water plant. Any contact with City Staff, including Austin Energy, in regards to this solicitation could result in a violation of the City’s Anti-Lobbying Ordinance and disqualification from the solicitation. A copy of the Anti-Lobbying Ordinance can be found at the following link:

[https://assets.austintexas.gov/purchase/downloads/New\\_ALO\\_Ordinance\\_No\\_20180614-056.pdf](https://assets.austintexas.gov/purchase/downloads/New_ALO_Ordinance_No_20180614-056.pdf)

**III. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.**

ACKNOWLEDGED BY:

\_\_\_\_\_

Name

\_\_\_\_\_

Authorized Signature

\_\_\_\_\_

Date

**RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.**

## PURCHASING OFFICE MEETING SIGN-IN SHEET

**Solicitation Description:** Redevelopment of 1215 Red River Street and 606 East 12<sup>th</sup> Street  
(Former Health-South Rehabilitation Facility)

**Meeting Date:** 1/14/2020 at 10:00 AM

**Purchasing Office Point of Contact:** Shawn Willett and Lynnette Hicks

**Place/Room:** Central Library Event Center

Please Print Legibly

Name	Company/Agency/Dept.	Phone	Email	Address	Have you or do you expect to receive compensation for this meeting from your organization?
Ron Rigott	City of Austin	974-2508	ron.rigott@cityofaustin.gov	City Hall	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Gloria Aguilera	City of Austin	974-7100	gloria.aguilera@cityofaustin.gov	505 Barton Sp Rd Suite 1350	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Marek Izydorczyk	City of Austin	974-7093	marek.izydorczyk@cityofaustin.gov	505 Barton Sp. Rd Suite 1350	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Rooney Moss	HUNT/PENNRROSS	212 257 8016	ROONEY.MOSS@HUNTCOMPANIES.COM	812 SAN ANTONIO SUITE 300 AUSTIN	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
NORA KEANE	PNC	912-796-0040	nora.keane@pnc.com	2107 NEW YORK AVE AUSTIN 78702	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Laura Gardner	JE Duna	512 687-6153	laura.gardner@jedunain.com	16015 MOPAC Barton 2, Ste 450 Austin 78755	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Walter Orane	BSD - COA	974 7057	walter.orane@cityofaustin.gov	411 chican	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Joellen Smith	DMA	512 <del>328</del> 328.3232	joellens@dma.companies.com	4101 Parkstone Hgts #210 AUSTIN 78744	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Tony Corp	Kairoi	512-982-6676	tc@kairoi.com	2207 Bell Cave Rd Austin	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Elizabeth Good	Good & West	512-983-1337	good@goodandwest.com	600 Congress, 14th Fl Austin	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Doug Agarwal	CCI	636 9855	DAGARWAL@capitalcannon.com	500 Bureau #600	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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Name	Company/Agency/Dept.	Phone	Email	Address	Have you or do you expect to receive compensation for this meeting from your organization?
Diana M <sup>e</sup> lver	DMA Development Co	512-328-3232	dianam@dmacompanies.com	4101 Park Street Hgt Austin TX 78746	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Roberta Salas	Dunaway Assoc.	512-399-5363	rsalas@ dunawayassociates.com	Austin TX 8140 N. Mo Pac ATX 78759	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Erika Passailaigue	Datum Engineers	512-469-9490	erikap@ datumengineers.com	8140 N. Mo Pac ATX 78759	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Lynnette Hicks	COA / Purchasing	512-974-3349	lynnette.hicks@ austintexas.gov	MUNI BLDG 78101 124 W. 8th St ATX	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Adam Johnson	WALTER P MOORE	512-330-1277	AJOHNSON@ WALTER.PMOORE.COM	221 W 6TH Suite 800	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Sarah Andre'	Structure Dev	512-698-3369	Sarah@ structuretexas.com	1301 Chicon #101 78702	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Jack Tisdale	STG DESIGN	512-217-3527	jtisdak@ stgdesign.com	828 W. 6th St. Austin 78703	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Alicia Glen	ASD Urban	805-411-3829	aliciaglen@ gmail.com	44 Court St. Bldg VIC, TX	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Caitlin Lewis	ASD Urban	805-411-3829	CAITLINNLEWIS@ GMAIL.COM	44 Court St VIC, TX	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Andrew Lodeeser	CCI	561-252-3867	Alodeeser@ Capital.com	1304 E 3rd Austin TX	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Drew Foster	Red Stone Equity	212-225-8794	Drew.Foster@ rsequity.com		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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Jerry Rosthove	COA - PAZ	4-3207	Jerry.rosthove @austintexas.gov	COA	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Frank Gordon	Cityline Companies	703-626-8640	frank@ citylinecompanies.com	704 W. Monroe St #A Austin TX 78701	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Harrison West	JMI Realty	713-298-4430	HWest@JMIRealty.com	111 Congress, 2600	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
John Guttman	Aspen Heights	512-627-2279	john.guttman@aspenliving.com	130 S. Capital TX Hwy	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Mark Ragsdale	PNC Bank	915 262 5677	mark.ragsdale@pnc.com	525 Market St 28 <sup>th</sup> Fl SF, CA 94105	<input type="checkbox"/> Yes <input type="checkbox"/> No
Thomas W	tenet design	512 790 2112	thom@tenetdesign.com	902 E. S. #201 Austin TX 78702	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Katie Greenwood	Purchasing	(512) 974-3085	Katie.greenwood @austintexas.gov	COA - Muni	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Veronica Cabriseno	EDP	512-974-2154	Veronica.brisono @austintexas.gov	COA	<input type="checkbox"/> Yes <input type="checkbox"/> No
Edward Campos	SMBR	42306	edward.campos@	COA	<input type="checkbox"/> Yes <input type="checkbox"/> No
Margaret Shaw	EDP	46497	margaret.shaw@	COA	<input type="checkbox"/> Yes <input type="checkbox"/> No
Shawn Willett	Purchasing	512 974-2021	Shawn.Willett@ austintexas.gov	COA	<input type="checkbox"/> Yes <input type="checkbox"/> No

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Name	Company/Agency/Dept.	Phone	Email	Address	Have you or do you expect to receive compensation for this meeting from your organization?
Kate Tomlinson	Martinez Engineering	713-515-4736	Kate@martinez-engineering-llc.com		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
David Koch	Aspen Heights Partners	832-588-5176	dkoch@ahpliving.com		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
NICK RAFFAELI	DRENNER GROUP	512318 7878	nraffaef@ drennergroupp.com		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
David West	Good + West	917-744-6278	west@goodandwest.com	600 Cazors, 14 <sup>th</sup> FL	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
DARIN SMITH	EPS	510-841-9190	dsmith@epsys.com		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Nhat Ho	Civilitude	512 761 6161	nhat@civilitude.com		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Christine Maguire	COA ECON DEV	4-7131	christine.maguire@cityofclustn	City Hall	<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
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