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April 18, 2008

VIA E-MAIL

Mayor Will Wynn
and City Council
City of Austin
301 W. 2nd St. 2nd Floor
Austin, Texas 78701

Re: Withdrawal of Appeals by CWS Capital Partners, LLC Related to Waterfront
Overlay Variances for Property Located at 222 and 300 Riverside Drive

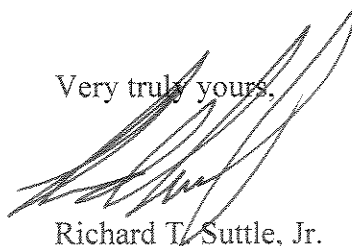
Dear Mayor and Council Members:

This firm represents and I am writing to you on behalf of CWS Capital Partners, LLC, the owners of the properties located at 222 and 300 Riverside Drive. CWS, SaveTownLake.org, and the South River City Citizens have reached an agreement related to the use and development of the above-referenced properties. Based upon this agreement, CWS hereby withdraws its appeals that are scheduled to be on your agenda on April 24, 2008. We will be filing a PUD for your consideration to implement the agreement.

Attached are the following: 1) a copy of a letter related to the withdrawal executed by CWS, SaveTownLake.org, and South River City Citizens; 2) a copy of the term sheet that has been agreed to by all the parties; and 3) a press release that was sent out today announcing the agreement.

Thank you for your patience and your attention to this matter. I am happy to report that all of the parties heartily support this agreement and it reflects the spirit and intent of the Waterfront Overlay Ordinance. Please do not hesitate to contact me if you have any questions or comments.

Very truly yours,



Richard T. Suttle, Jr.

cc: SaveTownLake.org
South River City Citizens
George Zapalac
Javier Delgado

April 17, 2008

VIA HAND DELIVERY

SaveTownLake.org

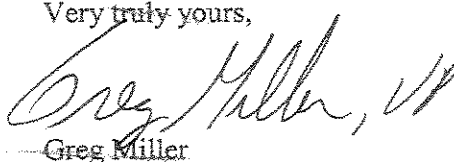
South River City Citizens

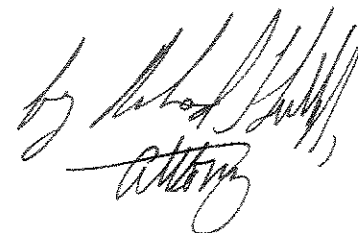
Re: 222 and 300 Riverside Drive

Dear Save Town Lake and South River City Citizens:

As you are aware, the appeal of the denial of the CWS site plans is on the City Council agenda for April 24, 2008. Based on your endorsement and support of the terms for the development of 222 and 300 Riverside Drive attached to this letter (the "Terms"), along with your commitment to support the proposed planned unit development which will implement the Terms, CWS will withdraw the current site plans for the property along with all appeals on file with the City. If the Terms along with the commitment to withdraw the site plans are acceptable to your organization, please confirm by acknowledging our understanding.

Very truly yours,


Greg Miller
CWS Capital Partners, LLC




Attorney

ACCEPTED AND ACKNOWLEDGED:

SAVE TOWN LAKE

By: 
Name: JEFF JACK
Title: SAVE TOWN LAKE.ORG DIRECTOR

SOUTH RIVER CITY CITIZENS

By:  / 
Name: JEAN MATHER / JOE ARRIAGA
Title: COPRESIDENT / CO-PRESIDENT

TERM SHEET APRIL 17, 2008

222 AND 300 RIVERSIDE DRIVE

L ZONING BASE DISTRICT REGULATIONS EXCEPT AS MODIFIED

- I. Maximum Height
 - 96 feet with standard city measurements and exceptions (25-2-531 relating to elevator penthouses, mechanical equipment, parapet walls, etc) outside of secondary setback
 - 35 feet within secondary setback
- II. Primary Setbacks
 - Town Lake 150 feet as per Waterfront Overlay
 - East Bouldin 80 feet as per Waterfront Overlay
 - Riverside 35 feet as per Waterfront Overlay
- III. Secondary Setbacks
 - Town Lake 50 feet as per Waterfront Overlay
 - East Bouldin 50 feet as per 1986 Waterfront Overlay
- IV. Development Regulations Within Setbacks
 - A. Primary Setbacks
 - 1) No development in Primary Setbacks except:
 - a) Park facilities and trails
 - b) Emergency access route if constructed of grass-crete or other natural surface. Must appear as lawn. Emergency access only – no routine use.
 - B. Secondary Setbacks
 - 1) Town Lake Secondary
 - a) Maximum building height 35 feet
 - b) Maximum building coverage 50%

c) Impervious Cover

Impervious cover in excess of building coverage is allowed to outdoor/park like uses. No underground parking is allowed in the area to be dedicated as parkland.

2) East Bouldin Secondary

- a) Maximum building height 35 feet
- b) Maximum building/impervious cover 100%

V. Compatibility Standards

Compatibility Standards related to height/setback and scale and clustering are waived.

VI. Uses

A. Permitted Uses

- 1) Condominium Residential
- 2) Multi-family
- 3) Art Gallery
- 4) Parks and Recreation Services
- 5) Cultural Services
- 6) Restaurant (General & Limited)
- 7) Cocktail Lounge
- 8) Professional Office
- 9) Medical Office
- 10) Administrative and Business Office
- 11) Personal Services
- 12) Hotel-Motel
- 13) General Retail
- 14) Food Sales
- 15) Financial Services
- 16) Electronic Testing

VII. Parkland Dedication

- A. Dedicate 1.5 acres of parkland upon certificate of occupancy of 1st building (1.5 acres included in gross site area)
- B. Construct trail from Statesman boundary to Riverside
- C. Dedication and trail satisfies all parkland fee requirements. An exact accounting of the parkland requirement and dedication will be provided during the PUD process according to current parkland ordinances.

VIII. Underground Parking

- A. No underground parking is permitted in dedicated parkland
- B. Underground parking with code required soil covering does not count as impervious cover

IX. Existing Pier/Dock

Maintenance and Use Agreement with the City to maintain the use. If retained, compliance with applicable ADA regulations is required and shall be the responsibility of CWS.

X. Emergency Access From Adjacent Access Easements Permitted

Emergency access (as well as primary access) is permitted on access easements through adjacent sites.

XI. Trees

A tree survey will be submitted during the PUD process. An arborist hired by CWS shall make an assessment of which trees can/should be saved or relocated during construction.

XII. Other

Implementation of these regulations to be accomplished through the PUD process.

FOR IMMEDIATE RELEASE

April 17, 2008

SaveTownLake.org, South River City Citizens and CWS Capital Partners, LLC announce today that after nearly two years of discussions, they have reached an agreement on a plan that could shape the future of the shores of Lady Bird Lake for years to come. Tom Cooke, one of the founders and Chairman of SaveTownLake.org says the plan for the properties owned by CWS on the lake includes generous setbacks from the shoreline and appropriate building heights as well as extension of the city's park and trail systems. "The revised plan illustrates responsible development along the shores of Lady Bird Lake. It is consistent with the mission statement of Save Town Lake, which is to protect and preserve Austin's most precious resource: Town Lake and the Town Lake Corridor. Save Town Lake strongly and publicly supports the revised plan" says Mr. Cooke.

Scott Hendler, President of SaveTownLake.org stated "CWS made responsible judgement on taking a long term view of development along the shores of Lady Bird Lake. They recognized the value of protecting the integrity of one of Austin's most precious resources – Town Lake and the Town Lake Corridor. This resource is enjoyed by all the citizens of Austin as well as our visitors. Its one of the unique characteristics that makes Austin Austin."

Greg Miller of CWS Capital Partners says "The revised plan achieves the objective of successful and responsible development while respecting and implementing the spirit and intent of the original Waterfront Overlay Ordinance. CWS appreciates and thanks Save Town Lake, South River City Citizens, the Town Lake Trail Foundation and all of the individuals that took part in the discussions for the last two years. Their input resulted in a project that will include additional parkland, extend the trail system, and will set a responsible standard for future development along the lake."

Representatives of South River City Citizens Group say "The revised plan protects our neighborhood by requiring appropriately scaled buildings along Riverside Drive while respecting the Waterfront Overlay Ordinance. Our neighborhood, as well as all of Austin, benefits from the new plan and we heartily endorse and support it."

The revised plan calls for the dedication of 1.5 acres of additional parkland, extension of the Hike and Bike Trail, the bulk of the buildings conforming to the original Waterfront Overlay setbacks from the shoreline of the lake, a maximum building height of 96 feet and the potential for a favorable mix of uses. As a result of the agreement, CWS will withdraw their current site plans and drop all of the appeals to the City Council on the original plan.

Richard T. Suttle, Jr., the attorney for CWS, says that the new plan will be filed with the City soon and will proceed through a public process that will include public hearings before the City Parks and Recreation Board, the Planning Commission and the City Council.

All of the parties are hopeful that the new plan will receive a favorable review and approval by the various boards and commissions and the City Council.

For questions and further information, contact:

SaveTownLake.org

Jeff Gach
SAVE TOWN LAKE.ORG
DIRECTOR

South River City Citizens (SRCC)

Joe Amey, Co-President
Joan Matter, Co-President

CWS Capital Partners

Greg Allen

Richard T. Suttle, Jr.:
rsuttle@abaustin.com