

A G E N D A



Recommendation for Council Action (Real Estate)

Austin City Council	Item ID:	19235	Agenda Number	25.
Meeting Date:	October 11, 2012			
Department:	Office of Real Estate Services			
Subject				
<p>Authorize negotiation and execution of all documents and instruments necessary or desirable to sell an approximate 0.2699 acre parcel of land, located on Lot A, Rainey River Addition, according to the map or plat thereof, recoded in Volume 68, Page 72, Plat Records, Travis County, Texas and locally known as 64 Rainey Street, Austin, Travis County Texas to 70 RAINEY STREET, LP for \$1,200,000. Related to Items # 24 and # 26.</p>				
Amount and Source of Funding				
<div></div>				
Fiscal Note				
<p>There is no unanticipated fiscal impact. A fiscal note is not required.</p>				
Purchasing Language:	<div></div>			
Prior Council Action:	<div></div>			
For More Information:	Mashell Smith 974-7149; Lauraine Rizer 974-7078; Amanda Glasscock 974-7173.			
Boards and Commission Action:	<div></div>			
MBE / WBE:	<div></div>			
Related Items:	<div></div>			
Additional Backup Information				

The City of Austin owns and desires to sell a lot zoned Central Business District (CBD) located at 64 Rainey Street, Austin, Texas. A third-party, independent appraisal was conducted to determine the fair market value of this property.

Per Resolution No. 20070607-013 The Austin Housing Finance Corporation (AHFC) was offered the parcel to determine if the parcel was a viable option for SMART Housing. It was determined that the parcel was not a viable option and AHFC passed on the right of first acceptance. All City Departments were informed of the sale of this property. ORES requested notification of any short or long-term need that the City may have for the property. In this process it was determined that thirty (30) additional parking spaces were needed for future growth of the Mexican American Culture Center and the Boathouse. All City departments are currently in agreement with the sale.

The City of Austin may sell 64 Rainey Street without going through the competitive bidding process because the property is located in a tax reinvestment zone. Section 272.001 of the Local Government Code provides an exception to bidding for property in a tax reinvestment zone if the property is developed consistent with the project plan for the rezone. 70 Rainey Street, LP is the immediate adjacent owner to 64 Rainey Street. The developer intends to incorporate this lot with the existing 3 lots known locally as 66-72 Rainey Street to develop a potential 31 story, 385,464 square foot mixed use, multifamily project.

70 Rainey Street, LP has presented this offer as one of two alternative options to the purchase of the property competitively bid by the City under Item # 24. If Council approves this item (and rejects item # 24 and # 26), the City will receive \$1,200,000 for the property and no parking spaces.