

A G E N D A



Recommendation for Council Action (Real Estate)

Austin City Council	Item ID:	31063	Agenda Number	29.
Meeting Date:	March 20, 2014			
Department:	Office of Real Estate Services			
Subject				
<p>Authorize negotiation and execution of all documents and instruments necessary or desirable to acquire approximately 292 acres in Travis County, Texas, together with improvements, and related personal property in connection with the Grey Rock golf course and tennis facility, located off Highway 45, from THE GOLF CLUB AT CIRCLE C, LP, A TEXAS LIMITED PARTNERSHIP, and the assumption of or entering into of related management contracts, leases, permits, repair contracts and other contracts, agreements, and entitlements related to such property, for a total contract amount not to exceed \$9,600,000. Related to Items # 30 and # 31.</p>				
Amount and Source of Funding				
<p>Funding in the amount of \$9,600,000 is available in the Fiscal Year 2013-2014 Capital Budget of the Parks and Recreation Department.</p>				
Fiscal Note				
<p>A fiscal note is attached.</p>				
Purchasing Language:				
Prior Council Action:				
For More Information:	<p>Junie Plummer, Office of Real Estate Services, (512) 974-7085; Kevin Gomillion, Parks and Recreation Department, (512) 974-9351; Lauraine Rizer, Office of Real Estate Services, (512) 974-7078, Amanda Glasscock, Office of Real Estate Services, (512) 974-7173.</p>			
Boards and Commission Action:				
MBE / WBE:				
Related Items:				
Additional Backup Information				

The approximately 292-acre Grey Rock golf and tennis facility, located off Highway 45 within Circle C Ranch, is considered one of the fastest growing areas in the region. The property includes an 18-hole golf course, eight tennis courts, three maintenance facilities, a driving range with teaching center, and a clubhouse. The property is situated in a park deficient area of the City and offers room for future park expansion including trail connectivity and other park amenities. The property is under residential development threat and is zoned with no restrictions for development. City of Austin ownership will protect the environmentally sensitive property in the future by utilizing best management practices outlined by the Watershed Protection Department and will restrict future development. The Parks and Recreation Department as a steward of the property is prepared to adhere to best management practices, environmental testing, and protection of water quality.

The purchase price is \$8,500,000 for the real property and an additional \$1,100,000 are included in this request, which includes: due diligence requirements (survey, environmental site assessment, building condition report), funds to transfer all contracts including management of the property and startup funds for operations, and several small capital improvement repairs related to planned improvements by the current property owner.

The purchase price and the additional funds are below the current fair market value as determined by an independent third party appraiser.